



Daily Report

China

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Daily Report

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General

Jiang Zemin Addresses Overseas Business Leaders

OW0305102692 Beijing XINHUA Domestic Service
in Chinese 0647 GMT 3 May 92

[By reporter Chen Ming (7115 6900)]

[Text] Beijing, 3 May (XINHUA)—Jiang Zemin, general secretary of the Central Committee of the Communist Party of China [CPC], said today that the important remarks by Comrade Deng Xiaoping not long ago during his inspection tour of southern China evoked great repercussions at home and abroad. The main idea of the remarks is that we should further emancipate our minds, seize the opportunities to quicken the pace of reform and opening to the outside world, and concentrate our efforts on economic construction.

Speaking to some 360 personalities from overseas economic and trade circles who have come to Beijing to attend activities marking the 40th anniversary of the founding of the China Council for the Promotion of International Trade [CCPIT], Jiang Zemin said: We should assimilate excellent culture and knowledge from foreign countries, especially advanced science and technology and management experience from developed nations, and vigorously push forward our cooperation with various countries in the fields of economy, trade, and technology and science.

In welcoming representatives from organizations for promoting trade, from industrial and commercial bodies, and people from business circles from over 30 countries and Hong Kong, Macao, and Taiwan, Jiang Zemin said: "Today, we have a full house of cherished friends." He expressed appreciation for the efforts made by all of these friends for developing economic and trade cooperation with China.

He said that since its founding 40 years ago, CCPIT has played an important role in promoting economic and trade relations as well as scientific and technological cooperation between China and various countries and regions in the world.

Currently CCPIT, China's first nongovernmental organization of foreign economic relations and trade, has 42 local branches with more than 17,000 members. It has established and developed business relations with over 350 international chambers of commerce, foreign trade associations, and other trade promotional bodies in more than 160 countries and regions.

Beijing Asks Several European Tourists To Leave

OW0105005092 Beijing XINHUA in English
0027 GMT 01 May 92

[Text] Beijing, May 1 (XINHUA)—A Chinese Foreign Ministry spokesman said here today that several European tourists have been asked to leave China for violating China's relevant laws and regulations.

In response to a question raised by correspondents, the spokesman said that several European tourists deliberately tried to make trouble near the Tiananmen Square yesterday afternoon. Their action was incompatible with their status.

"What they did violated China's relevant laws and regulations, the Beijing Public Security authorities have, therefore, asked them to leave China," the spokesman said.

Delegation Leaves for ADB Annual Meeting

OW0205031992 Beijing XINHUA in English
0236 GMT 02 May 92

[Text] Beijing, May 2 (XINHUA)—Li Guixian, state councillor and governor of the People's Bank of China, at the head of a Chinese Government delegation left here by air for Hong Kong this morning to attend the 25th annual meeting of the Board of Governors of the Asian Development Bank (ADB) to be held from May 4 to 6.

Li, who is also the Chinese governor of the ADB, will make a speech at the meeting on behalf of the Chinese Government and meet ADB leaders and other member governors to discuss China's cooperation with the ADB and other ADB members.

The ADB, an inter-governmental financial institution for promoting economic development in the Asia-Pacific region, has made big progress in expanding its business in recent years, according to sources here. It approved a total of 37.5 billion U.S. dollars in loans between 1968 and 1991. The amount of loans in 1991 alone reached 5 billion U.S. dollars, setting an annual record. Up to April 30, 1992, the ADB approved a total of 1.1 billion U.S. dollars in loans for 15 projects in China.

United States & Canada

Further Reportage on Los Angeles Riots, Racism

Foreign Ministry Statement

OW0305111392 Beijing XINHUA in English
1104 GMT 3 May 92

[Text] Beijing, May 3 (XINHUA)—The occurrence of racial conflict in Los Angeles shows that there exist human rights violations such as serious racial discrimination and abuse of force by police in the United States, a Chinese Foreign Ministry spokesman said here today.

In response to reporters' questions as how to comment on the massive racial conflict in Los Angeles and whether there is indeed the question of human rights abuses in the United States, the spokesman said that "The massive racial conflict in Los Angeles, U.S.A. is something unfortunate. But it is not accidental."

It reveals that human rights violations such as serious racial discrimination and abuse of force by police do exist in the United States, the spokesman noted.

The spokesman said, "We feel most sorry for the local people whose lives and property have suffered losses or are subjected to threat."

The spokesman added that "We are deeply sympathetic with the innocent people who have been injured and the families of those killed in the incident."

The spokesman said that "We are particularly concerned about the Chinese nationals, Taiwan compatriots and friends of Chinese descent there who have suffered attacks and losses, and we hereby express our sympathy and solicitude for them. We appeal for a fair solution to this incident."

Bush Calls For Restoration of Order

*OW0205015492 Beijing XINHUA in English
0138 GMT 2 May 92*

[Text] Washington, May 1 (XINHUA)—U.S. President George Bush called for the restoration of order in riot-torn Los Angeles today in a live televised speech from the Oval Office in the White House.

He said he was ordering extra military support including 1,000 federal riot-trained law enforcement officers to help bring peace to the city.

"I will use whatever force is necessary to restore order," he said.

RENMIN RIBAO on Discrimination

*OW0405052792 Beijing XINHUA in English
0514 GMT 04 May 92*

[Text] Beijing, May 4 (XINHUA)—The racial violence in Los Angeles is the consequence of racial discrimination against blacks and other minorities in the United States, says a signed article in the PEOPLE'S DAILY today.

"The root cause of the tragedy," it says, "is racism and racial discrimination, which hinder respect for and protection of the basic human rights of the U.S. minorities."

At least 41 people have been killed and more than 2,000 injured in the violent clashes, which were triggered by Wednesday's acquittal of four white policemen charged with assault over the beating of black motorist Rodney King.

The article, entitled "Evil Consequence of Racial Discrimination," says the blacks, who represent about 10 percent of the U.S. population, are still at the bottom of the American social ladder, even though they have fought for freedom, equality and human rights for more than 200 years.

The salaries of blacks are generally lower than those of whites, and their unemployment rate is higher, with one-third of them still living below the officially defined poverty line.

The article adds that in many fields the treatment of other minorities, such as American Indians and Hispanic and Asian immigrants, is even worse than that of the blacks.

Racial violence has occurred frequently in the past few years because of unfair treatment of the minorities, the article points out, and it cites as an example a clash between police and residents in Washington in May 1991.

That incident, it says, was triggered by a protest of Latin American immigrants against discrimination. It left scores of people injured and many shops and cars burned.

The article quotes a black legislator's comment on the racial violence in Los Angeles: "Long before this tragedy, there was a mood of desperation. People believe with dismay that there is no justice or hope under this system, and anything could happen."

The unfair verdict of the court has drawn widespread criticism in the United States. Human rights leader Jesse Jackson pointed out that the event showed that there was no justice to speak of for the blacks in the United States.

The massive racial clashes in Los Angeles have shocked the whole world and people see that abuse of human rights in the United States is far worse than they had expected, says the article.

Officials and media of various countries are highly concerned about the development and settlement of the matter, which itself is unfortunate but has been triggered by racial discrimination in the country. It is certain that tragic racial clashes will not cease to occur in the country until the human rights of the blacks and other ethnic minorities are respected and protected in the true sense and racial discrimination is eliminated, the article adds.

Further on King Case

*HK0405095792 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 4 May 92 p 6*

[Article by Ren Haiping (0117 3189 1627): "Where There Is Injustice, There Will Be an Outcry"—on Riots in U.S."]

[Text] The largest violent struggle in 60 years against racial discrimination in the United States can serve as a satire on certain people in the United States who have brandished the baton of "human rights" to interfere in the internal affairs of other countries.

This struggle was triggered by the verdict of Los Angeles District Court that four police officers were innocent of gratuitous assault on a black motorist named Rodney King. Waves of protests spread rapidly from Los Angeles to many other cities including San Francisco, Atlanta, Seattle, and New York.

Announcing a state of emergency in Los Angeles, the U.S. authorities ordered troops to be stationed in the city to "help maintain order."

This case has been dragging on for more than a year, and who would have thought that the assailants in the beating could be released with a verdict of "not guilty" in the end? The all-Caucasian jury reached the conclusion: The beating of Rodney King by the police was not "the use of excessive force."

In other words, the gratuitous beating of a black motorist by the police neither violated the law of the United States nor infringed upon human rights.

It is totally understandable that this unreasonable verdict of Los Angeles District Court incurred the wrath of black people in the United States as well as the masses of whites who uphold justice. The racial discrimination in the United States is of long standing. Although the U.S. authorities have tried to soothe and alleviate the dissatisfaction of blacks through some kinds of "reform," this problem has not yet been solved. The longer grievances grow, the more violent they will become when breaking out.

It is just as a black leader has said: "This tragedy virtually started long ago. There already exists a feeling of despair here. People believe that there is neither justice nor hope under this system."

Under the system of racial discrimination and oppression, black people and other colored races feel that "there is neither justice nor hope." This is the reality of the United States. The "apologists" who talk glibly about "human rights," why do you not open your eyes and take a look at the situation at home when you brandish the baton to make unwarranted charges against others and interfere in the internal affairs of other countries?

Where there is injustice, there will be an outcry.

The just voices against racial discrimination and demands for racial equality and justice raised in Los Angeles will undoubtedly arouse once again all the justice-upholding people of the United States to carry the struggle against racial discrimination through to the end. A black leader has already given this warning: "Justice must be upheld in order to bring about peace."

Results of Prejudice Viewed

HK0405111892 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 4 May 92 p 6

[Article by Cang Lide (0221 4539 1795): "Evil Consequences of Racial Discrimination in United States"]

[Text] On 29 April, a large-scale violent incident against racial discrimination broke out in Los Angeles, the second-biggest city in the United States. In the last few days, fires have been towering into the skies over Los Angeles, shops have closed, schools have suspended lessons, banks have stopped business, and the entire city has been paralyzed and reduced to confusion. By 1 May,

44 people had died in the incident, over 2,000 had been injured, 6,000 had been arrested, and about 4,000 buildings had been destroyed, causing total property losses of \$500 million. To suppress the violence, the U.S. President has already put troops in Los Angeles on alert. Now the impact of this racial incident has spread swiftly to San Francisco, Atlanta, Philadelphia, and Boston, as well as to states including South Carolina, Indiana, and Ohio. Incidents such as this have been rarely seen over the last 27 years in the United States.

This racial conflict was triggered by the pronouncement of a local court in California on 29 April that four white policemen who cruelly beat a black were innocent. Early on the morning of 3 March last year, a 25-year-old man named Rodney King was driving over the speed limit on the outskirts of Los Angeles. A police car chased and stopped him. Then he was beaten with batons and kicked. He was a mass of bruises. It so happened that a passerby videotaped the occurrence. The videotape was broadcast and evoked strong public opinion throughout the country. Many mass, civil rights, and ethnic organizations demanded that the assailants be severely punished. Unexpectedly, after a year of prosecution and trial, a 12-member jury announced that the policemen who had committed the assault were innocent. After the court pronounced judgment, people in various circles in Los Angeles were indignant. Black citizens charged that this was typical "racism." In this self-styled country of human rights, the white policemen who committed that brutality were declared "innocent," whereas the humiliation suffered by the black—humiliation "too horrible to look at"—was taken for granted. Is this not a perfect irony?

People in different circles in the United States have condemned this unreasonable judgment.

Civil rights leader Jesse Jackson pointed out: "This incident suggests that there is no justice for black people in the United States." Sid Fenly, executive chairman of the Chicago Branch of the National Association for the Advancement of Colored People [NAACP], said in condemnation: "As the Los Angeles verdict suggests, racism still exists in the United States and is still prevalent." Facts have proven that American society is not so equal and free as boastfully described by some "human rights warriors" in that country. Merciless facts have laid bare the peaceful picture painted by these people. The large-scale racial clashes in Los Angeles have shocked the whole world and made people understand that violations of human rights in the United States are much more serious than people imagined.

Violence is a tragedy, but it takes more than one cold day for a river to freeze three feet deep. This is an outburst of long-suppressed indignation stemming from racial discrimination and racism. Black Americans and other minorities are looked down on in American society and their human rights are not observed or protected. This is the real cause of the present tragedy.

Take as an example the blacks, the largest minority people, who account for about 10 percent of the U.S. population. They are basically still at the bottom of American society despite their more than 200-year fight for freedom and equality. Economically, the unemployment rate among blacks is far higher than that among whites. The average family income of blacks is a little more than half that of whites. One-third of blacks are living below the official poverty line, but only one-tenth of whites are living below this line. Blacks do not enjoy equal rights with whites in education, medical treatment, job guarantees, or promotion. Black infant mortality is twice that among whites. In some big cities, 50 percent of senior high school black students have to cease their studies.

Furthermore, the mentality and practice of looking down upon blacks are deep-rooted and can be found everywhere in American society.

Racial persecution and racial violence against blacks have continued to occur in recent years. In December 1986, a group of white youths were chasing three blacks and beating them with baseball bats on a New York beach. One of the three, named Griffith, was hit and killed by a car while he was running away from them. In August 1989, a group of whites shot dead a 16-year-old black in New York. In February 1989, when tens of thousands of black people were participating in a workers' festival in Virginia Beach, a group of policemen charged some of them. Both sides engaged in a two-hour large-scale clash, and dozens of people were injured. The headquarters and branch offices of the NAACP have been attacked by thugs on many occasions.

American Indians as well as Spanish-speaking and Asian minorities have suffered even worse than black people in many aspects. Generally, they are more exposed to economic depression and social prejudice and are apt to be victims of racial violence and hatred. In 1989, five Indochinese children in a California primary school died as a result of persecution. Due to a lack of justice and reasonable treatment in society, there has long been a high level of racial antagonism in the United States. When opportunities present themselves, racial clashes break out. In early May last year, civilians and policemen clashed in Washington, during which dozens of people were injured and many shops and cars were destroyed. This was an expression of dissatisfaction and resistance by local Latin American immigrants against discrimination. A black senator commented on the Los Angeles racial clashes said: "Long before this tragedy there was already a feeling of despair here. People thought in dejection that there was no justice or hope in this system. Unfortunately, anything may happen."

The Los Angeles racial clashes immediately evoked widespread shock and repercussions in various parts of the world. Officials and people in press circles have spoken or commented on the event and have shown much concern about its development and settlement. This racial violence in Los Angeles is an unfortunate

event, but we should understand that it was ignited by unjust U.S. racism. A black leader pointed out: "Justice must be upheld in order to bring about peace."

It is apparent that the tragedy of racial clashes in the United States will not end as long as the human rights of black people and other minorities are not respected and protected and racial discrimination against them is not removed.

XINHUA 'News Analysis'

OW0405095692 Beijing XINHUA in English
0942 GMT 4 May 92

["News Analysis: Violence From Injustice and Poverty (by Tang Yongxing)"]—XINHUA headline]

[Text] Washington, May 3 (XINHUA)—The verdict by a California jury on Wednesday to acquit four white policemen in the videotaped beating of a black motorist stunned the whole nation of the United States. It sparked immediate protests in front of municipal police headquarters by both black and white residents and civil rights activists.

The protests quickly turned into widespread violence in the city of Los Angeles. Stores were torched, windows smashed, cars overturned and burned. By now 50 people have been killed, more than 2,000 injured and property damage was estimated at 550 million U.S. dollars.

Amid the rampage, U.S. President George Bush Friday ordered 4,500 federal Army and Marine troops to Los Angeles. He pledged in a nationally televised speech that he would "use whatever force necessary" to restore order to the second largest city in the United States. Now the situation in the riot-torn city is returning to calm.

The three-day old racial conflict in Los Angeles is the worst violent incident in the United States in more than 27 years. In 1965, violence in the city's Watts black community left 34 people dead and 180 million dollar worth of property destroyed.

The acquittal of the policemen accused of beating black motorist Rodney King with a deadly weapon, is undoubtedly the immediate cause of the violence. The injustice it embodied certainly enraged the entire black community.

A poll by USA TODAY found that virtually all blacks and 86 percent of whites thought the verdict was wrong and the four police officers should be tried on federal civil rights charges.

The poll also showed 90 percent of blacks and 65 percent of whites blamed racism.

The beating of Rodney King by the policemen on March 3, 1991 was videotaped on the spot and aired on TV repeatedly for more than a year. Everybody who saw it, including President Bush, thought that "it was hard to understand how the verdict could possibly square with the video."

Some black leaders and even white politicians believe that it was poverty and high unemployment rate among the black people that led to the worst violence.

"The verdict was the match that lit the fire," said Joe Hicks, director of the Southern Christian Leadership Conference in Los Angeles. "But the woodpile was there and perhaps was even smoldering before the verdict poured gasoline on it."

Hicks' explanation may be one of the reasons why the protests in Los Angeles soon spread to a number of other cities over the country.

Figures cited by Jack Kemp, U.S. Secretary of Housing and Urban Development, to examine the causes of the violence show 12 percent of the population is black but they own less than 0.5 percent of the total wealth of America. There's 50 percent of unemployment among black teenagers.

U.S. Congresswoman Maxine Waters, a Democrat from California, said when analyzing the causes of the violence that "there are a lot of not only angry people, but just plain hungry people."

"They don't have any jobs; they don't have any hope and they don't have any possibility," she said. "They simply cannot endure much longer."

While black poverty has been a self-evident social scourge in the United States for a long time, many U.S. politicians and scholars employ it to explain Wednesday's violence.

They believe the unsuccessful solution to the poverty problem has been the major cause that had led to 11 riots in the past 30 years.

'Peaceful Demonstrators' Arrested

OW0305181992 Beijing XINHUA in English
1722 GMT 3 May 92

[Text] Washington, May 3 (XINHUA)—Some 50 peaceful demonstrators were arrested by about 400 police officers Saturday in the downtown area of the second largest U.S. city of Los Angeles.

The demonstrators, according to a United Press International (UPI) report, were protesting against the acquittal of four white police officers in the video-taped beating of a black motorist.

"This was a peaceful demonstration," one man was quoted as saying from the barred windows of a police paddy wagon. "We were here for a reason."

"They beat us. We were not doing anything. We were walking down the street, on the sidewalk," said Sylvia Williams, 20, whose hands were bound behind her back with plastic handcuffs.

The group, the UPI report said, were about to march to L.A. Police Department Headquarters when they were

quickly surrounded by some 400 police officers, most of whom were clad in riot gear.

"They were arrested for riot en route," said Police Department Sergeant Ron Newton as police confiscated placards and loaded handcuffed protesters into police wagons.

The demonstrators were mostly white people and about half of those arrested said they were college students.

Erin Flynn, who eluded the arrest, said to UPI: "The city is under martial law, and why? It's because people are angry about police brutality and economic injustice."

WEN WEI PO Views 'Human Rights'

HK040: 065192 Hong Kong WEN WEI PO in Chinese
4 May 92 p 7

[Article by Yu Jan (6735 3544): "Human Rights in the United States as Viewed From Los Angeles Riots"]

[Text] Four U.S. policemen beat a black motorist, but the court pronounced the four policeman not guilty. This kindled the anger of the blacks in Los Angeles, who held demonstrations for days and damaged vehicles and buildings in the downtown area. As casualties in the riots totaled over 200, a state of emergency was announced and a curfew was imposed in Los Angeles.

The incident not only shocked the United States, but also attracted global attention. People have asked: Why are those who have beaten others not guilty? Why have the blacks in Los Angeles reacted so violently?

The United States has always claimed itself to be a country exercising democracy and rule by law. It has also boasted of its protection of human rights and requested other countries to respect human rights. Certain U.S. politicians have asked China to "improve its human rights," which constitute a basic condition for offering the Most Favored Nation [MFN] status to China. Is it not strange for such a brutal violation of human rights to take place in the United States?

It takes more than one cold day for the river to freeze three feet deep. The pent-up anger of the blacks in Los Angeles has been longstanding. The case of a beaten black motorist is but a fuse. The U.S. Government has implemented a policy of racial discrimination for a long time. The assassination of the black leader Martin Luther King as early as the 1960's had stirred up large-scale protests by the blacks, and the U.S. Government was condemned by many countries for this. Later, the U.S. Government adopted some measures to mitigate the racial contradictions between the white and black, appointing some blacks to assume government offices. In the end, it is but a policy of mollification, which cannot eliminate the irrational phenomenon of the wide gap between the rich whites and poor blacks and also cannot improve the social status of the latter. Take Los Angeles for example: The "Watts riot" which lasted 6 days 27 years ago killed 34, injured over 1,000,

and caused a loss of \$40 million. Living standards of the blacks were not improved after the incident. There were large numbers of unemployed and homeless blacks as well as black drug addicts in the slums 16 km away from the Los Angeles skyscrapers. A black restaurant owner said: "Justice is a matter between the white and black. It would be a disaster to you if you were a black." Thus it can be seen that the current black riot is the result of the long-term racial discrimination.

Racial discrimination is a concrete expression of class exploitation and oppression on the question of race, which constitutes a brutal violation of human rights. The policy of racial discrimination pursued by the U.S. Government for a long time actually proves that it has encroached upon human rights and fundamentally violated the UN human rights declaration. It is hard to understand that the country which volubly talks about human rights is precisely the one which pursues a racial discrimination policy at home. Hence, it is clear that this is the country which has violated human rights. A tiny handful of rebels in China's Tibet once tried to stir up a turmoil. China's armed police adopted necessary measures to quell the turmoil, which conformed to the interests of the Tibetan people as well as the people of the whole country. Only in this way could we ensure Tibet's stability and the country's unification. The U.S. Government, however, tried to make an issue of the Tibetan issue and blamed China for violating human rights. In the eyes of the United States, the criminal activities encouraging a handful of Tibetan rebels to split the country are tantamount to a respect for human rights. Are they not taking human rights as a means to interfere in the internal affairs of another country? Regarding the case of four U.S. policemen beating a black motorist, why did the jury composed totally of whites pronounce the policemen not guilty? Although U.S. President Bush expressed his "frustration and disappointment" at the court ruling, he insisted on "respecting law and the legal procedure of the case." Why did he not mention a single word of human rights? Does the beating of a black not constitute a violation of human rights? Is human rights only applicable to the whites and not the blacks in the United States? There is racial discrimination in the United States and this constitutes a violation of human rights. The U.S. Government takes an indifferent attitude toward this, however. Instead, it makes indiscreet remarks to the world of its capacity as a guardian of human rights and blames other countries for human rights violations. This has revealed the tyranny and hypocrisy of the United States. Regarding its attitude toward Hong Kong's repatriation of Vietnamese refugees, the United States has always tried to hinder Hong Kong's forced repatriation of Vietnamese refugees under the pretext of human rights, leaving the problem, which has harassed Hong Kong for many years, unsettled. The United States repatriated Haitian refugees, however, and has not uttered a word about human rights. This fully shows the dual standards of the United States toward human rights and the tricks

it has played in interfering the internal affairs of other countries under the pretext of human rights.

Undoubtedly the Los Angeles riot has put the U.S. Government in a predicament. If the U.S. Government continues to play the "human rights card," how will it explain its racial discrimination policy to the world? If people of the world form a team to conduct the situation of human rights in the United States, will the U.S. Government agree to it?

'Problems Revealed' by Riots

HK0205050892 Hong Kong MING PAO in Chinese
2 May 92 p 2

[Editorial: "Problems Revealed by Los Angeles Riot"]

[Text] A riot broke out in California's Los Angeles downtown district on Wednesday; Los Angeles residents, mainly black people, took to the streets to protest the court's ruling on the Rodney G. King beating case. But soon the protest developed into frantic activities of "beating, smashing, and looting." By Friday morning local time the situation had gradually come under control. Demonstrations protesting the court's ruling also took place in San Francisco and other cities across the country, and individual cases of riots and looting surfaced.

The "Rodney G. King case" is one familiar to everyone in the United States, and the iron-clad evidence of policemen resorting to violence was "eye-witnessed" by all. On the evening of 5 March 1992, Rodney G. King, an Afro-American, was driving on an expressway exceeding the speed limit. He was tailed by a police in a van who ordered him to pull his car over for inspection; however, King stepped on the gas in a vain attempt to get away. When he was intercepted, four policemen beat him with batons, probably because of his poor attitude. Such cases are nothing extraordinary in Los Angeles, but it happened that a resident in the neighborhood videotaped the whole event, and the tape has since been repeatedly shown on television. In the ordinary course of events such iron-clad evidence would have proven the four policemen's brutality. After over a year of hearing the case, however, the jurors found the four defendants involved in the case not guilty and had them released last Wednesday. Consequently, a mighty uproar broke out.

The "Rodney G. King case" and the riots it sparked have revealed many problems that have long existed in U.S. society.

Primarily, it is the problem of civil rights. The overwhelming majority of U.S. policemen and general government workers respect civil rights; however, the social order in several big cities has deteriorated so much that police departments have shown leniency to their subordinates in allowing them to resort to violent means at the cost of trampling on civil rights. In this aspect, the Los Angeles Police can be the most serious of all those in U.S. big cities.

Related to that is the racial issue. The proportion of Afro-American residents in such big cities as Los Angeles, New York, Chicago, and Washington is high; and their feuds with caucasians are deep-rooted. The court made arrangements for transferring the hearing of the "Rodney G. King case" to a small town scores of miles away from Los Angeles; the town's residents are invariably caucasians, and not a single Afro-American was found among the jurors, who basically saw things eye to eye with the caucasian policemen and took the same stand. Although they did not admit they were inclined to racial discrimination, people cannot help asking if Rodney G. King were caucasian, and the four policemen Afro-Americans, would the jurors have made the same decision?

Related to that is a problem in the legal system. The U.S. judicial system has a long history and is known for its fairness. It is the very judicial system that has made a ruling on this case, however, which the majority of the American people believe to be unfair but dare not openly admit it to be so. That shows great shortcomings in the U.S. legal system. But it will be most a difficult task to correct them.

More fundamental and serious than the above problems is the imbalance between the haves and the have-nots and low social ethics in the United States.

The United States used to be the world's wealthiest country, but now things have greatly deteriorated, though it has not been reduced to poverty. Many people other than Americans believe the United States has a rather large proportion of poor. Actually, the United States has a rather sound welfare system, and the cost for subsistence is rather low. Therefore the major problem does not lie in the hardships of low-income families, but discontent and indignation derived from the imbalance between the haves and the have-nots. Such a mentality especially finds focal expression in a number of ethnics; consequently strong anti-establishment, antisocial, and anti-caucasian sentiments exist in certain communities, and those ethnics will give vent to their discontent, given any opportunity like the "unfair ruling on the Rodney G. King case."

On the other hand, U.S. social moral standards are declining. When the riot began, it was a protest, giving vent to discontent; but soon the situation deteriorated to taking advantage of the misfortune to do the community harm. From what have seen from the media, those who took part in looting were not confined to Afro-Americans, and caucasian women neatly dressed also participated in the practice, wild with joy.

In a way, U.S. social issues revealed in the "Rodney G. King case" can be regarded as a fine thing; however, how to cure the disease remains a big issue even if the U.S. Government and people have a clear picture of the state and cause of disease in the United States.

Actions Termed 'Military Operation'

HK0305065092 Hong Kong TA KUNG PAO
in Chinese 3 May 92 p 2

["Weekly Roundup" by Kung Yaowen (7895 5069 2429): Bush's Third Military Operation Arouses World Concern"]

[Text] "Twice Sending Out the Army in 800 Days" is the title of a book written by a senior reporter after the Gulf war last year. The Army was sent out twice, once to Panama, and the other time to the Gulf. Bush has now mobilized the Army for the third time, but this time it is sent within its homeland to quell the worst racial turmoil in U.S. history.

The change from sending the Army overseas to employing it at home has precisely demonstrated the change in Bush's situation.

The Worst Riot in the United States

Having wavered a couple of days, Bush eventually adopted a tough policy, ordered 4,500 military troops into Los Angeles, and declared, "I will use whatever force is necessary to restore order." That is the first time U.S. military troops have taken to the streets to suppress riots at home since 1972, when they were transferred to Washington to handle the surging anti-Vietnamese War movement, and the action reflects the seriousness of the current riot. In addition to the 6,000 California National Guardsmen who have already taken action, more than 10,000 men will take control of the streets.

Now the riot has entered its fourth day and related disturbances were reported from a dozen or so cities, incurring 44 deaths. Should the riot fail to be curbed, most likely the death toll will surpass that of 47 in the 1967 Detroit racial riot. From the angle of financial and material loss, the current riot has already become the most destructive in U.S. history. The 1965 Watts riot in California incurred a \$180 million loss. Loss of the current one is estimated to exceed \$500 million, and even \$1 billion.

As of dawn here today—it is still morning in Los Angeles—the situation seems to be pacified under the condition that most rioters come out only after dark. It is the weekend, and people do not have to go to work or to school. This helps to restore order. People will have to wait until after dark to see how things really stand.

Aside from declaring the sending of military troops, the White House has announced an investigation of the jurors of the Rodney G. King case, but that will be confined to treating the symptoms. Even if the case's verdict is reversed, the question remains one that the wound can hardly be healed within a short time; should the verdict be sustained, the consequences will be quite beyond our imagination.

A slogan of U.S. black students in a related demonstration read: "I Have a Dream." That was a quotation from

the famous speech of Martin Luther King, leader of the civil rights movement for U.S. black people, who was later assassinated by racists. At that particular moment the student hoisting the slogan wanted only to show that Martin Luther King's speech delivered 30 years ago remains a dream to come true.

Martin Luther King's "Dream"

It is most significant to review Martin Luther King's speech today: "I have a dream: One day, our nation will stand up and realize the true meaning of her belief, which is 'We hold these truths to be self-evident, that all men are created equal.'"

Ironically, the black person lying on the ground beaten up by Caucasian policemen shares a surname with Martin Luther King; but he is the more fortunate one of the two, for he has survived the beating. The entire black race has been unfortunate, suffering an unemployment rate twice higher than that of Caucasians, and the black populace living under the poverty line is three times that of their Caucasian counterparts. The situation of the black people has been all the more difficult when the worst economic recession since the 1930's began in 1990. A figure provided by a television broadcast is most shocking: The average life expectancy of black people in Harlem is even lower than in Bangladesh, a most underdeveloped country, whose average life expectancy is around 46 years.

The Rodney King case was just an incident that touched off the riots; the basic cause lies in the fact that the U.S. black people have for a long time been placed at the lowest depth of society and would take any opportunity to give vent to their discontent. That is a view unanimously shared by analysts.

The Rodney King case happened in California, it is just natural that the riot broke out at the very site of the case. California has contributed its own peculiar factors to the riot, however.

Speaking of a "dream," for a long time, California had been the "dreamland" of many an Americans and foreigners. But in recent years, the "California Dream" has gradually become not so perfect and ideal. *TIME* magazine carried a cover story on the decline of California in November last year, under the glaring title, "California, the Endangered Dream."

The Consequence of California's Decline

Having cited the difficulties confronting California, the report set forth a question: When economic slump, spreading forest fires, water shortages, and the base are threatening disintegration, how are Californians to resolve their racial disputes? Only six months later those disputes eventually evolved into a big riot. In addition, the report pointed out, the slump that has just begun in California is worth the world's attention; should one

want to know whether or not the United States is hopeful, one has only to see whether or not California is so.

In fact, the whole world is fixing its eyes on the development of the riot that happened in the United States. With the end of the East-West Cold War, the United States claims itself to be the sole superpower, while attempting to change the world after the U.S. pattern regardless of the differences in the national conditions of various countries. The riot should help people acquire a deeper understanding in the United States, which to be a nation that respects human rights the most and enjoys the greatest freedom. Should the Americans really want "peace on earth," they should work harder at "maintaining order in their own home country." Now that Bush has employed the Army in his homeland instead of sending it overseas, hopefully, it will be a sign of change in this direction.

Ji Pengfei, Businessmen Discuss MFN Renewal

*OW0205080092 Beijing XINHUA in English
0719 GMT 2 May 92*

[Text] Beijing, May 2 (XINHUA)—Ji Pengfei, member of the Standing Committee of the Central Advisory Commission of the Chinese Communist Party, here today met with a Hong Kong business mission to Beijing and Washington D.C.

Led by Paul M.F. Cheng, chairman of the Hong Kong General Chamber of Commerce, the mission is composed of seven industrial and commercial organizations in Hong Kong.

The mission has come to exchange views with Chinese officials on the Sino-U.S. trade relations and then go to Washington D.C. to lobby U.S. congressmen to support the unconditional renewal of China's most-favored-nation trade status.

Ji Pengfei is a veteran Chinese diplomat and once served as director of the Hong Kong and Macao Affairs Office under the State Council. During the meeting, Ji noted that the most-favored-nation status is a matter of equality and mutual benefit. To cancel it, he added, will do harm to both sides. The United States, Ji said, should not impose any pressure on China by using this issue, and China will not accept any conditional renewal of the most-favored-nation status.

Northeast Asia

Kim Il-song Urges PRC To Delay ROK Ties

*HK0305072192 Hong Kong CHING PAO in Chinese
No 5, 5 May 92 p 42*

[Article by Meng Lin (1322 3829): "Behind-the-Scenes Story About Postponement of Establishment of Diplomatic Ties Between PRC and South Korea"]

[Text] The possible establishment of diplomatic ties between China and South Korea has been discussed for

more than two years. As far as the author knows, back in the spring of 1990 Chinese Foreign Minister Qian Qichen had already declared in a foreign affairs report that the establishment of diplomatic ties between China and South Korea is scheduled to be completed after China establishes diplomatic ties with Saudi Arabia. But this has not yet been realized, even though China has already established diplomatic ties with Israel. **A main reason for this is that China's plan is interfered with by its relations with Korea (North Korea) which are usually described to be "as close as lips and teeth."**

Kim Il-song's Letter to Deng Xiaoping

In early March this year, North Korea's Kim Il-song sent a "special envoy" (holding the title of member of the Korean Workers Party Central Committee Politburo) to visit China. The special envoy was received by CPC General Secretary Jiang Zemin and State President Yang Shangkun. He handed to Jiang Zemin a personal letter that Kim Il-song wrote to Deng Xiaoping. As revealed by an authoritative source, apart from expressing thanks to the CPC and the Chinese people for the support and aid they had long been extending to North Korea, the main purpose of Kim's letter was to request that China put off its schedule for establishment of diplomatic relations with South Korea; provide more economic and military aid, including supply of advanced naval vessels and anti-aircraft weapons systems; and consider signing a China-Korea (North Korea) friendship, mutual aid, defense, and security treaty to counterbalance the Japan-U.S. Security Treaty and the U.S.-Korea Treaty on Defense Cooperation.

The special envoy held talks with Jiang Zemin and Yang Shangkun during his visit to China. He raised five requests on behalf of the North Korean Government: 1) It is hoped that the diplomatic ties between China and South Korea will be established after the signing of a nonaggression treaty between South and North Korea, the withdrawal of U.S. troops from South Korea, and the establishment of diplomatic ties between Japan and North Korea. 2) China will increase the supply of oil and oil products to North Korea, and will assist North Korea in developing its power industry. 3) China will extend long-term loans to North Korea to finance the purchase of agricultural products and light industrial products. 4) China will provide North Korea with its most sophisticated naval vessels and anti-aircraft weapons. And 5) China will use its influence so that Japan will soon establish diplomatic relations with North Korea.

China Declines Alliance With North Korea

It is disclosed that the North Korean "special envoy" only managed to obtain some in-principle commitments from China during his stay in Beijing: China has promised to give precedence to aiding the DPRK so that its needs in construction will be satisfied and any difficulties will be solved, as long as China's resources allow it to do so; and China is willing to do its best to play a part in safeguarding sustained peace in the Asia-Pacific region

and on the Korean Peninsula, and to contribute to an early normalization of relations between Japan and Korea (North Korea).

On the other hand, CPC General Secretary Jiang Zemin, when meeting with the special envoy, declined North Korea's request for supply of sophisticated naval vessels and anti-aircraft weapon systems. But he assured the special envoy that China will not look on unconcerned if South Korea launches any aggression against North Korea. However, Jiang Zemin noted: For the time being, there is no indication of South Korea's intention of staging a war. Jiang Zemin asked the special envoy to pass on a message to Kim Il-song: **Preparations for establishment of diplomatic ties between China and South Korea have been completed, the development of the affair brooks no delay, and the CPC central authorities and the State Council have already made a decision.** Jiang Zemin also asked the special envoy to convey Deng Xiaoping's regards to Kim Il-song. He told the special envoy: Given a peaceful environment, socialism is to race with capitalism in economic development, and the outcome of the race will tell which system is superior to the other. The key lies in the selection of a correct line. As far as this is concerned, we have obtained some experience, scored some solid results, and seen the hope of success, he added.

During his meeting with the special envoy, Chinese President Yang Shangkun also clearly told the envoy that **the normalization of diplomatic ties between China and South Korea cannot be postponed any longer; China will not export any offensive weapons, and will not sign any treaties of military nature with any countries or blocs.** In other words, he meant to decline the requests Kim Il-song made in his letter to Deng Xiaoping.

By 17 April when this article was finished, Chinese President Yang Shangkun had already wound up his visit to North Korea, and he must have clarified and explained to Kim Il-song the CPC's stance and view while congratulating Kim on his birthday. Therefore, China on its part must have no more trouble or obstacle now with regard to the establishment of diplomatic ties with South Korea.

Investment Agreement Signed With South Korea

OW0205034892 Beijing XINHUA in English
0329 GMT 2 May 92

[Text] Beijing, May 2 (XINHUA)—The China Chamber of International Commerce and the South Korea's Trade Promotion Corporation today signed an agreement on encouraging and mutually protecting investment.

According to the agreement, each side will give the most-favored-nation treatment to the other side for its investment and other investment related business.

South Korea's investment in China's mainland has increased rapidly in the past two years. Statistics from the Ministry of Foreign Economic Relations and Trade (MOFERT) show that the contracted volume of South

Korea's investment in China's mainland last year exceeded 130 million U.S. dollars, quadrupling that of 1990. And to date, South Korea's investment in China's mainland totalled nearly 200 million U.S. dollars.

Statistics also show that trade between the two sides reached over 5.8 billion U.S. dollars last year. And observers predicted that the figure for this year would likely exceed 10 billion U.S. dollars. If so, South Korea would be the fourth biggest trade partner of China's mainland in the world, following Hong Kong, the United States and Japan.

Pact Encourages Investment

*HK0405055192 Beijing CHINA DAILY in English
4 May 92 p 1*

[By staff reporter Yuan Zhou: "Pact To Protect Trade With S. Korea"]

[Text] China and South Korea signed an agreement on encouraging investment and mutually protecting trade in Beijing at the weekend.

According to the agreement, each side will give the most-favoured-nation treatment to the other for its investment and investment-related business.

The pact covers the definition of investment, compensation for nationalisation, remittances of foreign exchange, disputes arising from investment, and other areas.

It was signed by Zheng Hongye, chairman of the China Chamber of International Commerce and Roh Jae Won, South Korea's Trade Promotion Corporation representative in Beijing.

South Korean investment in the Chinese mainland has increased rapidly in the past two years. Figures from the Ministry of Foreign Economic Relations and Trade (Mofert) show South Korea's investment in China last year exceeded \$130 million, four times that of 1990. So far, its investment in China totals nearly \$200 million.

According to Park Chan-hyuk, director of the Beijing Representative Office of the Trade Promotion Corporation, China has now become the third most attractive place for South Korean investment after Thailand and Indonesia.

Park predicted South Korean investment in China is likely to jump to \$500-600 million by the end of this year, after the pact on protection of investment was signed.

The South Korea Trade Promotion Corporation is a government organization designed to promote trade and economic co-operation between South Korea and other countries. It established its Beijing representative office last year.

By the end of the last year, 185 South Korean investment projects had been approved by China, according to South Korean figures.

Southeast Asia & Pacific

Vietnamese Elder Nguyen Van Linh To Visit

*HK0205043292 Hong Kong AFP in English
0426 GMT 2 May 92*

[Text] Beijing, May 2 (AFP)—Former Vietnamese Communist party leader Nguyen Van Linh will arrive in China on Sunday for a 17-day tour of the country, diplomats here said.

Linh was scheduled to meet Chinese leaders and visit open economic areas in the south to learn from China's economic experiences, the diplomats said.

The 77-year-old leader retired as Vietnamese Communist Party secretary general last year and is now special advisor to the central committee.

Linh last came to China in September 1990 for a secret visit to Chengdu, southwestern China, that laid the groundwork for a full normalization of relations after a 12-year strain.

The normalization was capped in November last year with a summit here between the current Vietnamese and Chinese Communist party leaders, Do Muoi and Jiang Zemin.

In March, the two Asian neighbors signed agreements on restoring air, rail, sea and postal links.

The two sides fought a bloody border war in 1979 after Vietnamese troops ousted the Chinese-backed Khmer Rouge in Cambodia.

Vietnamese Communist Party Advisor in Beijing

*OW0305095792 Beijing XINHUA in English
0941 GMT 3 May 92*

[Text] Beijing, May 3 (XINHUA)—Nguyen Van Linh, advisor to the Central Committee of the Communist Party of Vietnam, arrived here today by special plane on a good-will visit to China at the invitation of the Communist Party of China (CPC).

Nguyen and his entourage were greeted at the airport by Zhu Liang, member of the CPC Central Committee and head of the CPC Central Committee International Liaison Department, and Dang Nghieng Hoang, ambassador of Vietnam to China.

Zhu Shanqing, deputy head of the International Liaison Department, made a special trip to Nanning, capital city of the Guangxi Zhuang Autonomous Region, to meet the Vietnamese guests and accompanied them on the way to Beijing.

Nguyen and his party had a brief stopover in Nanning, where they were greeted and seen off at the airport by Liu Mingzu, deputy secretary of the CPC Guangxi Regional Committee.

Nguyen, born in 1915, began his career as a revolutionary when he was young and held leading posts of the Vietnamese Communist Party for a long time. He made contributions to the normalization of relations between China and Vietnam when he served as general secretary of the party Central Committee between 1986 and 1991. Since the seventh party congress in June, 1991, Nguyen has been serving as advisor to the party Central Committee.

Vice Foreign Minister Yang Fuchang in Burma

OW0205120792 Beijing XINHUA in English
1151 GMT 2 May 92

[Text] Yangon [Rangoon], May 2 (XINHUA)—Chinese Vice-Minister for Foreign Affairs Yang Fuchang and his party arrived here this afternoon for a five-day visit to Myanmar [Burma].

During his stay here, the Chinese-vice minister will discuss with Myanmar officials matters relating to bilateral relations and international issues of common interests.

Myanmar Minister for Foreign Affairs U Ohn Gyaw will meet the Chinese delegation later.

Jiang Zemin Meets Malaysian Visitors

OW0305072392 Beijing XINHUA in English
0705 GMT 3 May 92

[Text] Beijing, May 3 (XINHUA)—General Secretary Jiang Zemin of the Chinese Communist Party met with Kuok Hock Nien, chairman of the Board of the Malaysian Kuok Brothers and vice-chairman of the Board of the China World Trade Center, and his party here today.

Officials Sign Sino-Indonesian Memorandum

OW0405081192 Beijing XINHUA in English
0739 GMT 4 May 92

[Text] Beijing, May 4 (XINHUA)—A memorandum of understanding between the governments of China and Indonesia concerning cooperation in legal matters was signed here today.

On behalf of their respective governments, Chinese Minister of Justice Cai Cheng and his Indonesian counterpart Ismail Saleh signed the document.

The memorandum stipulates the exchange of legal materials and officials and cooperation on immigration matters.

The Indonesian minister of justice arrived in Beijing yesterday as guest of Cai Cheng.

Burma Envoy Meets Foreign Ministry Official

OW0205173192 Beijing XINHUA in English
1626 GMT 2 May 92

[Text] Yangon, May 2 (XINHUA)—Myanmar [Burmese] Foreign Minister U Ohn Gyaw and Chinese Vice Foreign Minister Yang Fuchang held friendly consultations today on bilateral relations and international issues of common interests.

The two men briefed each other on their respective domestic situations and conditions and express the hope to further strengthen consultations between the two ministries of the two countries.

Present on the occasion were director-generals of several departments under the Myanmar Foreign Ministry and Chinese Ambassador to Myanmar Liang Feng.

The Chinese vice minister arrived here today for a five-day visit.

Continuing Reportage on Lao President's Visit

Grants Interview

BK0105095992 Beijing Radio Beijing
in Lao 1230 GMT 29 Apr 92

[Interview with Kaysone Phomvihane, president of the Lao People's Democratic Republic (LPDR) and chairman of the Lao People's Revolutionary Party (LPRP) Central Committee, to Radio Beijing correspondents at the Diaoyutai State Guesthouse in Beijing on 29 April—recorded]

[Text] My visit to China this time is important. I have opportunities to meet with Comrades President Yang Shangkun, Prime Minister Li Peng, and the general secretary of the Communist Party of China [CPC]. The meetings and discussions were held successfully amidst the atmosphere of intimacy and understanding among good friends. We exchanged views with each other on various situations. We informed our Chinese comrades of the current situation in Laos.

Significantly, we held consultations and evaluated the development of relations and cooperation between Laos and China from 1989 to the present. We concurred that bilateral relations and cooperation during this period have improved significantly. Cooperation between the two countries has expanded consistently and efficiently. I regard this development as most important, because it has contributed to the steady growth of both the national economy of Laos in particular and the future progress of the country as a whole.

In this regard, I would like to extend my thanks to the CPC, the Chinese Government, and the people of China for having attentively rendered assistance and support for us. We will continue with our utmost efforts to promote the further improvement and fruitful expansion of the solidarity, relations, and cooperation between Laos and China for the benefit of the two countries.

Looking ahead at the future of the Lao-Chinese relations, I feel that the relations will certainly flourish, and at the same time bilateral cooperation will also expand more comprehensively than ever before in compliance with our mutual interests. I have proposed to my Chinese counterpart that China send a team of experts to conduct a survey and feasibility study in Laos and discuss with Lao counterparts a greater scope for bilateral cooperation. I proposed that the two countries find more ways to expand cooperation in various aspects.

I would like to thank both the CPC and the Chinese Government, as well as the Chinese people, for giving me a warm welcome. I would like to extend my best wishes to all the Chinese people, who have been under the right and clear-sighted direction of the CPC, and, in particular, the ideology of Comrade Deng Xiaoping. Since the implementation of the open-door and economic reform policy, the Chinese economy has expanded fruitfully in all respects. Such development is most praiseworthy and most significant for the country and its people, particularly at the present time.

We, therefore, are very pleased with such developments and regard all victories achieved by Chinese comrades as our own victories. I wish that, under the wise and clear-sighted leadership of the CPC and under the protection of the capable Chinese Government, the Chinese people will more fruitfully achieve greater victories and successes in all the tasks of restructuring and open-door causes and in all other works.

Finally, I wish all the Chinese people and all the Chinese leaders good health and longevity in order to be able to further carry out their noble tasks with glorious success.

Inspects Guangzhou

*BK3005142592 Beijing Radio Beijing
in Lao 1230 GMT 30 Apr 92*

[Text] According to Beijing radio correspondents, today Kaysone Phomvihane, president of the Lao People's Democratic Republic and chairman of the Lao People's Revolutionary Party Central Committee, and delegation continued their tour of Guangdong Province. This morning, President Kaysone Phomvihane and the delegation visited the Guangzhou Economic and Technical Development Zone. Here, President Kaysone Phomvihane paid special attention to the zone's policy which provides special privileges and benefits to attract foreign investment. He asked some questions on this subject.

Later, the distinguished Lao guest visited the Guangzhou Pacific Pharmaceutical Company which has produced [word indistinct] synthetic hearts. He also visited some other establishments. In the afternoon, President Kaysone Phomvihane and his delegation toured Nanhai—one of the four major cities of Guangdong where there have been reforms and an open-door policy. After 13 years of this, the total value of industrial and agricultural products of Nanhai city increased from 1 billion yuan in 1980 to 11 billion yuan in 1992. The city's per capita income has also increased from more than 300 yuan in 1980 to

as much as 1,900 yuan in 1991. President Kaysone Phomvihane was delighted at this. He said: Nanhai development has grown by leaps and bounds. This is a precious lesson for us. It will certainly be beneficial to the present implementation of our Lao people's restructuring cause and the broadening of foreign economic relations.

While in Nanhai, President Kaysone Phomvihane also visited a farmer's family. He was very pleased to see the development in the rural areas of China. He said: I have been to Guangdong many times in the past. But, this time I have seen many changes. I hope that under the correct guideline of the CPC, you will achieve ever greater success.

Tomorrow, President Kaysone Phomvihane and the delegation will leave Guangzhou by a special PRC plane for a visit to Shenzhen city.

Concludes Visit

*OW0305100592 Beijing XINHUA in English
0955 GMT 3 May 92*

[Text] Kunming, May 3 (XINHUA)—Kaysone Phomvihane, president of the Lao People's Democratic Republic and president of the Lao People's Revolutionary Party, left here for home this afternoon, ending his official goodwill visit to China.

He Guangyuan, chairman of the Chinese Government Reception Committee and minister of machine-building and electronics industry, and He Zhiqiang, governor of Yunnan Province was among those to see him off at the airport.

The Laotian guests arrived here yesterday after visits to Beijing, Guangzhou and Shenzhen.

Yesterday afternoon, He Zhiqiang called on the Laotian president at his residence.

In the meeting, Kaysone said the visit had been a success and that the two sides shared identical views on all major issues.

Yunnan technicians have been doing effective work in Laos and his country will strengthen its cooperation and contacts with Yunnan Province, Kaysone added.

He also expressed the hope that his country would further strengthen its cooperation and contacts with China, and Yunnan Province in particular.

Near East & South Asia

NPC Official Lei Jieqiong Meets Tunisians

*OW0205143292 Beijing XINHUA in English
1401 GMT 2 May 92*

[Text] Beijing, May 2 (XINHUA)—Vice-Chairman Lei Jieqiong of the National People's Congress Standing Committee met here today with a group of visitors from

the Tunisian National School of Administration led by Abel Hakim Bouraoui [name as received], director of the prime minister's office.

Lei, who is also acting president of the Association for the International Understanding of China, told the visitors that China will continue to strengthen its friendly ties with Tunisia and other developing countries and contribute to world peace and stability.

The host and guests agreed that they should work for a stronger relationship of friendship and cooperation between the Chinese and the Tunisian people.

The visitors, who arrived here yesterday, are scheduled to tour some cities in east and south China.

Song Ping Meets With CPI Delegation

OW0405072592 Beijing XINHUA in English
0650 GMT 4 May 92

[Text] Beijing, May 4 (XINHUA)—Song Ping, Standing Committee member of the Political Bureau of the Communist Party of China (CPC) Central Committee, met with a delegation from the Communist Party of India (Marxist) here this morning.

The delegation, led by Prakash Karat, member of the Political Bureau of the Indian party's Central Committee, arrived here on Sunday at the invitation of the CPC.

Song praised the Indian party for its close ties with the masses and integration of Marxism-Leninism with the India's [as received] reality, according to a Chinese official present at the meeting.

Song also said that the Indian party has done a lot of useful work to promote the friendly relations between the two peoples.

He told the visitors that in leading the people to socialism with Chinese characteristics, the CPC persists in the basic line, namely, focusing on economic construction and adhering to the four cardinal principles and reform and opening to the outside world.

He briefed the visitors on the progress of the party's construction in ideology, organization and style.

Karat said that the relations between the two parties, which have been growing over the past few years, are conducive to the deepening of the mutual understanding and friendship between the two peoples.

He spoke highly of remarkable achievements that China has made in building socialism with its own characteristics under the CPC leadership.

Zhu Liang, member of the CPC Central Committee and head of the International Liaison Department of the CPC Central Committee, was present on the occasion.

During their stay in China, the visitors are expected to tour Urumqi, Shanghai and Xiamen.

Yang Shangkun Names Envoys to Yemen, Israel

OW0405111992 Beijing XINHUA Domestic Service
in Chinese 0813 GMT 4 May 92

[Text] Beijing, 4 May (XINHUA)—Yang Shangkun, president of the PRC, has made the following appointments and removal of Chinese envoys to foreign countries in accordance with the decision of the Standing Committee of the National People's Congress:

1. Lin Zhen is removed from his post as ambassador extraordinary and plenipotentiary of the PRC to the Republic of Yemen.
2. Li Liugen [former consul general in Aden] is appointed ambassador extraordinary and plenipotentiary of the PRC to the Republic of Yemen.
3. Lin Zhen is appointed ambassador extraordinary and plenipotentiary of the PRC to the State of Israel.

Sub-Saharan Africa

PLA Chief Meets Zimbabwean Defense Minister

OW2904115492 Beijing XINHUA in English
1125 GMT 29 Apr 92

[Text] Beijing, April 29 (XINHUA)—General Chi Haotian, chief of the general staff of the Chinese People's Liberation Army, met with visiting Zimbabwean Minister of Defense Richard Chemist Hove and his party here this evening.

The meeting was followed by a dinner given by Chi for the Zimbabwean visitors.

Hove and his party, who began their China visit Monday, are scheduled to leave Beijing for southern China tomorrow.

Mozambican Parliamentary Speaker Departs for Visit

OW0405051092 Beijing Central People's Radio
Network in Mandarin 1700 GMT 2 May 92

[From the "International News and Current Events" program]

[Text] Marcelino Dos Santos, speaker of the Parliament of the Republic of Mozambique, left Maputo on 1 May for his visit to China.

Prior to his departure, the speaker told reporters that during his 40 years of contact with China, he has personally witnessed the undaunted spirit of the Chinese people and the achievements they have made in defending their country's sovereignty against foreign intervention and in developing their country. He indicated that China's support of Mozambique has been consistent, sincere, and effective. He hoped that his visit will help promote understanding and deepen traditional friendship and cooperation between the two countries and peoples.

Cultural Agreement Signed With Tanzania

OW3004215292 Beijing XINHUA in English
1804 GMT 30 Apr 92

[Text] Dodoma (Tanzania), April 30 (XINHUA)—Tanzania and China signed a cultural agreement today under which the two countries will promote cooperation in the fields of culture, education, science, health, sports, publication and news media.

Under the agreement, which was signed by Tanzanian Education and Culture Minister Charles Kabeho and Chinese Deputy Culture Minister Chen Changben in the central city of Dodoma, the cultural cooperation will go by means of exchanging visits of writers, artists, experts, lecturers, sportsmen and doctors.

The agreement, which reviews a 1962 cultural agreement between Tanganyika and China, also aims to hold arts exhibitions, establish direct relations and conduct cooperation between colleges and libraries of the two countries.

Tanzanian First Vice-President and Prime Minister John Malecela described the agreement as "historical" when he received a Chinese Governmental cultural delegation headed by Chen Changben on Wednesday at his residence in Dodoma.

The four-man Chinese delegation arrived in Tanzania on Tuesday and will leave for home on Saturday.

West Europe

Spanish Justice Minister Arrives on Visit

To Hold Talks With Counterpart

LD0105174492 Madrid RNE International
in Spanish 1300 GMT 1 May 92

[Text] Spanish Justice Minister Tomas de la Quadra Salcedo arrived in Beijing today on a seven-day official visit during which he will sign a treaty on judicial cooperation between Spain and China. During his visit to Beijing the Spanish minister is scheduled to have talks with his Chinese counterpart, the president of the Supreme Court, and the procurator general. The treaty the minister will sign was negotiated over the last few months in Madrid and Beijing. It will serve as a juridical framework to protect mutual investments in both countries and joint Spanish-Chinese enterprises.

Meets Wu Xueqian

OW0305082092 Beijing XINHUA in English
0802 GMT 3 May 92

[Text] Beijing, May 3 (XINHUA)—Chinese Vice-Premier Wu Xueqian met visiting Spanish Justice Minister Tomas de la Quadra Salcedo and his party here this afternoon.

Spanish Ambassador to China Amador Martinez Morcillo was present at the meeting.

The Spanish guests arrived here May 1 at the invitation of the Ministry of Justice. Apart from Beijing, they are expected to visit Shanghai, Guilin, Guangzhou and Shenzhen.

Comments on Human Rights

LD0305195192 Madrid RNE International
in Spanish 0800 GMT 3 May 92

[Text] Spanish Minister of Justice Tomas de la Quadra Salcedo, who has been in Beijing since 1 May, has said that Spain, like the EC, thinks that isolation is not the best policy to get China to effect a gradual change in its models with regard to freedoms and human rights. The Spanish minister added that the position of the Madrid government on human rights in China, unlike other nations, is not one of presenting lists on political detainees in that Asian country. De la Quadra-Salcedo thinks that the best policy is to talk with Beijing so that it will understand the international significance and the bad image which an erroneous policy on human rights conveys.

Sign Judicial Assistance Treaty

OW0205042592 Beijing XINHUA in English
0343 GMT 2 May 92

[Text] Beijing, May 2 (XINHUA)—China and Spain signed here today a treaty on judicial assistance in civil and commercial matters.

The treaty was signed by Chinese Minister of Justice Cai Cheng and visiting Spanish Justice Minister Tomas de la Quadra Salcedo.

The treaty aims to promote cooperation in the fields of law and judicature between the two countries on the basis of mutual respect for state sovereignty, equality and mutual benefit. It will help protect the legitimate rights and interests of the citizens of the two countries and develop economic and trade cooperation between the two sides.

Vice Premier Zhu Rongji Meets German Guests

OW0305125392 Beijing XINHUA in English
1238 GMT 3 May 92

[Text] Beijing, May 3 (XINHUA)—Chinese Vice-Premier Zhu Rongji met Otto Wolff von Amerongen, chairman of the German Business East-West Trade Committee, and his party here this afternoon.

The German guests arrived here May 1 at the invitation of China Council for the Promotion of International Trade (CCPIT) to participate in the activities marking the CCPIT's 40th anniversary.

CCPIT Vice-Chairman Cui Yushan was among those present at the meeting.

Li Tieying Meets German Scholar, Advisor

OW0405025492 Beijing XINHUA in English
0237 GMT 04 May 92

[Text] Beijing, May 4 (XINHUA)—Li Tieying, state councillor and minister in charge of the State Education Commission, met and hosted a dinner here Sunday in honor of Dr. Karl Boeck, a China scholar in the German Federal Ministry for Economic Cooperation, and his party.

The host and Boeck, who has been an advisor to vocational technical education of the State Education Commission for years, exchanged views on cooperation in vocational education between the two countries and probed into prospects for future cooperation.

Netherland's Andriessen Calls Trip 'Successful'

OW3004130892 Beijing XINHUA in English
1245 GMT 30 Apr 92

[Text] Beijing, April 30 (XINHUA)—Visiting Minister of Economic Affairs of the Netherlands, J.E. Andriessen, today called his week-long visit to China "successful."

Speaking at a press conference here this afternoon, Andriessen said during "a very good period here," he had held talks with leading officials from various Chinese Departments of Industry, Commerce, Trade, Agriculture, Textile, Water Resources and Petro-Chemistry, and met with Premier Li Peng.

Latin American & Caribbean

Colombian First Lady Arrives in Beijing

Plans 8-Day Visit

OW0205094492 Beijing XINHUA in English
0839 GMT 2 May 92

[Text] Beijing, May 2 (XINHUA)—Ana Milena de Gaviria, wife of the president of Colombia, and her party arrived here today for an eight-day goodwill visit to China at the invitation of the Chinese Government.

They were greeted at the airport by Chinese Vice Foreign Minister Liu Huaqiu and Colombian Ambassador to China Federico Echeverria Olarte.

Meets Qian Qichen

OW0305141292 Beijing XINHUA in English
1357 GMT 3 May 92

[Text] Beijing, May 3 (XINHUA)—Chinese State Councillor Qian Qichen met with Ana Milena de Gaviria, wife of the president of Colombia, and her party at the Diaoyutai state guesthouse here this evening.

Qian, who also serves as China's foreign minister, thanked the first lady for representing Colombia's continuing desire for friendship and cooperation with China. He said that great strides have been made in the

development of bilateral relations between the two countries, and added that friendly cooperative relations enjoy bright prospects for the future.

Qian also expressed appreciation for the contributions the president and the first lady of Colombia have made to strengthening bilateral relations.

The first lady noted that bilateral relations have developed smoothly in recent years, and expressed hope that relations will become even better.

She recalled her first visit to China in 1984, and pointed to the great changes which have taken place in the country and the remarkable achievements recorded during the course of reform and opening to the outside world. She noted that China is "full of vitality."

Qian hosted a dinner in honor of the first lady and her party following the meeting.

Qian's wife attended the meeting and dinner along with Vice Foreign Minister Liu Huaqiu and his wife.

Earlier today, the Colombian first lady and her party toured the Great Wall, visited a school for the handicapped and a Beijing kindergarten.

Wang Hanbin Briefs Colombian Foreign Minister

Stresses 'Policy of Peace'

OW0105211092 Beijing XINHUA Domestic Service
in Chinese 0851 GMT 1 May 92

[By reporter Gao Yonghua (7559 3057 5478)]

[Text] Bogota, 30 April (XINHUA)—Colombian Foreign Minister Antez Gonzales [name as received] said here today that Colombia attaches special importance to developing relations with China.

This remark was made by Gonzales when he met with a delegation of the National People's Congress [NPC] of China headed by Vice Chairman Wang Hanbin.

In his speech, Gonzales also stressed the principle of noninterference and the principle that all countries are equal should be followed in establishing a new international order, because these are constructive principles. He suggested that efforts should be made to further promote cooperation between Colombia and China.

In his speech, Vice Chairman Wang Hanbin briefed the foreign minister on China's foreign policy. He said that China consistently pursues an independent foreign policy of peace, persists in developing friendly and cooperative relations with all countries of the world on the basis of the Five Principles of Peaceful Coexistence, opposes power politics and hegemonism, and safeguards world peace. China's position is that a new order should not be established under the control of one country or a few developed countries; a new international political and economic order should be established on the basis of the Five Principles of Peaceful Coexistence.

The Chinese NPC delegation arrived here for a goodwill visit on 25 April at the invitation of the Colombian Senate and House of Representatives.

Delegation Leaves for Bolivia

*OW0205190492 Beijing XINHUA in English
1813 GMT 2 May 92*

[Text] Santa Fe de Bogota, May 2 (XINHUA)—A delegation of the Chinese National People's Congress (NPC) has left here for Bolivia after a week-long friendly visit to Colombia at the invitation of the Colombian Senate and House of Representatives.

During its stay in Colombia, which began on April 25, the delegation, led by Wang Hanbin, vice-chairman of the NPC Standing Committee, was received by Colombian President Cesar Gaviria Trujillo, who had cordial and friendly conversations with the Chinese guests.

Wang Hanbin and his company were also received by Carlos Espinosa Facio Lince, president of the Colombian Senate, and Rodrigo Turbay, president of the House of Representatives, separately. Hosts and guests exchanged views on strengthening friendly cooperation between the two countries and between their parliaments.

The Colombian Senate awarded Wang Hanbin with the Order of Congress and a gold plaque while the House of Representatives decorated him with the Order of Democracy.

NPC Delegation Meets Vice President

*OW0405055992 Beijing Central People's Radio
Network in Mandarin 1700 GMT 3 May 92*

[From the "International News and Current Events" program]

[Text] At the invitation of the Bolivian Parliament, a delegation of the Chinese National People's Congress [NPC], led by Wang Hanbin, vice chairman of the NPC Standing Committee, arrived in La Paz on 2 May for a six-day visit to Bolivia.

On arriving at the airport, Wang Hanbin, vice chairman of the NPC Standing Committee, and his entourage were welcomed by Luis Ossio, Bolivian vice president and parliamentary chairman, and other parliamentary leaders.

Luis Ossio, Bolivian vice president and parliamentary chairman, pointed out: The NPC delegation's visit to Bolivia coincides with Bolivian President Jaime Paz' upcoming visit to China. These two visits will definitely foster relations between the two countries to a new peak.

In his written statement at the airport, Wang Hanbin, vice chairman of the NPC Standing Committee, pointed out: Since the establishment of bilateral diplomatic relations in 1985, China and Bolivia have continually developed friendly cooperation and relations in economic

affairs, trade, and culture. High-level exchanges between both parliaments and governments of the two countries have been frequent. Mutually visiting each other's country is very conducive to enhancing mutual understanding between the two countries and to consolidating and developing bilateral relations of friendship and cooperation.

Spokesman Announces Bolivian President's Visit

*OW0405070492 Beijing XINHUA in English
0656 GMT 4 May 92*

[Text] Beijing, May 4 (XINHUA)—President of the Republic of Bolivia Jaime Paz Zamora will pay an official visit to China from May 8 to 11 as guest of President Yang Shangkun.

This was announced by a spokesman of the Foreign Ministry here today.

Cuban Military Delegation Visits Shandong

*SK0205023192 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 1 May 92*

[Text] At the invitation of the PRC Ministry of National Defense, a four-member military affairs and amity delegation, headed by Lieutenant General (Julio Casas), first vice minister at the Cuban Ministry of Revolutionary Armed Forces, visited Qingdao and Yantai of Shandong Province from 29 April to 1 May.

Accompanied by responsible comrades of the Foreign Affairs Bureau of the PRC Ministry of National Defense, the delegation visited some plants, rural areas, the economic and technological development zone, and the Navy base in Qingdao and Yantai cities. Local army units and government departments concerned warmly received the delegation.

CPC Delegation Leaves for Goodwill Trip to Cuba

*OW0205012292 Beijing XINHUA in English
0044 GMT 02 May 92*

[Text] Beijing, May 2 (XINHUA)—A delegation from the Chinese Communist Party (CPC) left here by air this morning on a goodwill visit to Cuba at the invitation of the Communist Party of Cuba.

The delegation is led by Zhang Boxing, member of the CPC Central Committee and secretary of the CPC Shaanxi Provincial Committee, with Wan Shaofen, member of the CPC Central Committee and deputy head of the United Front Work Department of the CPC Central Committee, and Lu Chuanzan, deputy secretary of the CPC Hebei Provincial Committee, as its deputy leaders.

The delegation was seen off at the airport by Chu Shanqing, deputy head of the International Liaison Department of the CPC Central Committee, and Cuban Ambassador to China Jose Armando Guerra Menchero.

Political & Social

Jiang: Deng Remarks Have Worldwide Repercussions

OW0305063892 Beijing XINHUA in English
0627 GMT 03 May 92

[Text] Beijing, May 3 (XINHUA)—Senior leader Deng Xiaoping's remarks during his spring inspection tour in southern China have evoked worldwide repercussions, Chinese party chief Jiang Zemin commented here today.

Addressing some 360 overseas business leaders in the Great Hall of the People, he said: "In the final analysis, we should further emancipate thinking, accelerate the pace of reform and opening to the outside world and concentrate our efforts on economic construction."

The business leaders from more than 30 countries and Hong Kong, Macao and Taiwan have been here to mark the 40th anniversary of the founding of the China Council for the Promotion of International Trade (CCPIT).

Jiang said: "we should learn excellent culture and knowledge from foreign countries, especially advanced science, technology and management skills of the developed countries."

"China will try to push forward its cooperation with other countries in the fields of economy, trade, science and technology," he added.

Jiang expressed his appreciation to business leaders for their efforts in developing economic and trade cooperation with China in the past four decades.

He said that the CCPIT has played an important role in promoting such cooperation with various countries and regions in the world.

The CCPIT, China's first non-governmental economic and trade organization, has established business relations with more than 350 international chambers of commerce and foreign trade organizations in 160 countries and regions.

At present, the council has 42 local branches with 17,000 members.

Vice Premier Tian Comments on Deng Remarks

HK0405062492 Hong Kong MING PAO in Chinese
4 May 92 p 2

["Special dispatch" from Guangzhou: "Vice Premier Tian Jiyun Urges Attention to Persons Who Trim the Sails While Opposing 'Leftism'"]

[Text] News from Guangzhou: State Council Vice Premier Tian Jiyun said here some days ago that Deng Xiaoping's speeches during his South China tour expounded on a series of key problems at a critical moment and added that they have extremely important practical importance. Tian Jiyun pointed out: While eliminating "leftism," it is necessary to pay particular

attention to the persons who always trim their sails. He also warned the CPC officials at various levels not to underestimate the possibility of an overall economic leap in the former Soviet Union once it has passed through its difficulties.

Key Problems at Critical Moment

It was learned that Tian Jiyun made these remarks during the Guangzhou Trade Fair, which ended some days ago. He mainly spoke on two matters: Study of Deng Xiaoping's speeches and reform of the foreign trade structure.

Referring to the issue of opposing leftism, Tian Jiyun said there was no mistaking what Deng Xiaoping was getting at. He held that while eliminating the leftist influence, it is necessary to pay attention to the persons who always trim their sails. They are dangerous people who always play tricks and trim their sails to wait for an opportunity to oppose reform and opening up.

Tian Jiyun criticized some people who regarded the three kinds of partially or wholly foreign-owned enterprises as a source of unhealthy tendencies. He said: By opposing reform and opening up, some people intend to return history to the 1950's and 1960's. We should not attribute corruption and other disgusting phenomena to reform and opening up, because in the closed-up areas there also exist corruptive and uncivilized phenomena.

Talking about the disintegration of the former Soviet Union and its influence on China, Tian Jiyun said: Peaceful evolution cannot be prevented by making empty talk; it is necessary to make concrete efforts to build our country solidly. Because of the disintegration of the former Soviet Union, the threat from the north of China has been eliminated, and there is a relaxation trend in China's relations with the neighboring countries. But China is faced with an economic and technological challenge. The developed countries are continuing to develop. Indonesia, Vietnam, Laos, and other countries are achieving rapid economic development, and this has attracted worldwide attention. But in China, as there are still many "forbidden areas," the development is still rather slow.

Tian Jiyun believed that the difficulties facing the CIS at present are not as serious as those stated by news reports. If they can get through the current difficulties and push their economy onto the right track of development, they may possibly achieve a leap forward. In addition, Western capital is pouring into the country. Its latent potentialities cannot be underestimated. He hoped the CPC officials at various levels will "seize the opportune time to develop and strengthen themselves," or they may lose the opportunity and find themselves far behind the others in the future.

CIS's Economic Potential Should Not Be Underestimated

On the question of accelerating the pace of reform and opening up, Tian Jiyun pointed out that it is necessary to handle the following relationships well:

1. The relationship between planning and market. The old planned economy characterized by the supply system is already outdated. It can easily be influenced by personal will and various relations. When socialism is practiced under a high degree of centralism, it is unable to compete with capitalism. Making full use of the laws of the market economy is the focus of building socialism with distinctive Chinese characteristics in China.

2. The relationship between domestic and foreign capital. It is necessary to introduce more foreign capital. For example, Shenzhen's development is chiefly a result of foreign investment; the state has only invested 200 million yuan in the city. China has been closed to the outside world for several thousand years. "In doing many things, we need foreigners to show us how."

3. The relationship between stability and development. Strengthening ourselves is the key to maintaining stability.

Be "Ironhearted" and Take "Iron Measures" To Accelerate Foreign Trade Structure Reform

Tian Jiyun also put forth some demands on accelerating reform of the foreign trade structure. He said: It is necessary to encourage domestic enterprises and private enterprises to develop their business or even to settle down abroad. Foreign trade enterprises must implement the system of separating government administration from enterprise management, delegate power to the lower levels under the state's macroeconomic control, and establish a competition mechanism. They must be "ironhearted" and take "iron measures" to improve the quality of export commodities. The renminbi's exchange rate must be gradually readjusted, and we must strive to link it with the U.S. dollar.

Tian Jiyun, 63, is member of the Political Bureau of the CPC Central Committee. Having worked in financial and economic departments for a long time, he was promoted as vice premier of the State Council in 1983. He was the right-hand man of Zhao Ziyang, former general secretary of the CPC, when the latter worked in Sichuan and the central authorities. Since 1989, he has been mainly in charge of foreign trade and agricultural work.

Article Views Deng Comments on Party Congresses

HK0405071092 Hong Kong CHING PAO in Chinese
No 178, 5 May 92 pp 34-35

[Article by Chen Chieh-hung (7115 3381 1738): "Deng Xiaoping Warns Against Favoritism in Selecting Party Congress Representatives, Which Is To Adopt Multicandidate Election System"]

[Text] As disclosed by authoritative sources, in Beijing in early April, Deng Xiaoping listened to the reports by the 14th CPC National Congress preparatory team on their progress. Those who gave the reports included Jiang Zemin, Qiao Guo, Li Ruihuan, Wan Li, Wen Jiabao, Zhu Rongji, Zou Jiahua, Yang Baibing, and Ding Guangen. Yang Shangkun, Bo Yibo, Liu Huaqing, and Li Desheng were also present.

More Young People Should Be Absorbed in Next National People's Congress [NPC]

After the reporting was over, Deng Xiaoping made some remarks. For the first time, he commented on this year's NPC session. Deng said: This NPC session was a good job. The atmosphere in and outside the congress hall and at the panel discussions was lively. The people's representatives have a mission, that is, to convey the people's voices, demands, and opinions to the meeting. It is a good phenomenon that there are debates and objections at a meeting; it is no good if the meeting is lifeless. Many deputies objected to, or abstained from voting on, the Three Gorges Project. We should listen to and study their opinions and suggestions to reduce detours and setbacks in carrying out the Three Gorges Project. This project has a bearing for 100 years, and even centuries to come.

Deng Xiaoping also said: Here is an issue you should have a look at. The NPC session and its standing committee should, in keeping with the political structural reform, give full expression to the NPC as the organ of the supreme state power which does exercise the supreme power. At next year's renewal of membership, the NPC deputies should have a broad and high degree of representation and, on the other hand, it is necessary to consider absorbing young people who are in their 40's.

People Would Take to Streets If Embezzlement and Corruption Were Not Punished

When speaking at the 14th National CPC Congress, which is to be held in autumn this year, Deng Xiaoping said: The 14th party congress will be a new starting point for the cause of party building and socialist construction. The party's central task is to realize the four modernizations. Doing a good job in party building also serves the party's central task. In carrying out party building, we should be adamantly determined and resolutely eliminate the venality, corruption, and bureaucracy in the party. I do not believe that, when certain countries ruled by bourgeois parties can do well in developing a clean and honest government, the communist party cannot do it. We should not attribute corruption and dishonesty to the corrosive influence from abroad. **If a ruling party failed to eradicate corruption, it would be impossible to maintain lasting stability in the society and eventually the people would take to the streets.** Earlier, I also mentioned this when I was in southern China. We should be adamant in eliminating corruption and punishing venal officials and corrupt elements. Limited determination would not solve the problem.

No Favoritism Toward Cadres' Children in Selecting 14th Party Congress Representatives

On the issue of the 14th party congress representatives, Deng Xiaoping said: The central preparatory team proposed that more attention be given to middle-aged and young personalities in selecting representatives to the 14th party congress and that those who have performed outstandingly in the past dozen years be selected as party congress representatives, as they are full of vitality, enterprising, devoted to their work, and have new ideas. They are the country's hope.

Deng also pointed out: The leaders should not nominate candidates, otherwise it will affect the representativeness; some old comrades should not interfere too much, otherwise it will ruin the whole thing. Of course, some people who lack integrity and honesty and are under a lot of criticism in and outside the party should not be elected on any account, because they cannot represent the interests of the majority of the party members and people in the given places or departments. I was told that the party organizations in some departments had received the instruction that certain people be elected and if not, the list of candidates would not be passed. This phenomenon happened before and I was very much against it. This time, we have to make sure that if someone repeats it, the election will be back to square one and that person will be prosecuted. The Discipline Inspection Commission should play a role here.

Deng continued: At the beginning of this year, I told Zemin, Qiao Shi, and Jiabao to notify the lower authorities that no preferential treatment should be given to my children; the leading cadres' children should not be nominated internally, but should be appraised and elected by the departments and units they belong to. They are only part of the 50 million party members. If they are given preferential treatment and made representatives through internal nomination, the people from the lower levels will be unhappy about it and things will be difficult to handle. If such problems occur, investigation is necessary. We should not speak about democracy and legal system on the one hand and take the lead to violate it on the other. If our party and party organizations were to do this, they would have no prestige among the masses.

CPC Decides To Adopt Multicandidate Election for 14th Party Congress

The authoritative sources also revealed that the CPC authorities have decided to adopt the multicandidate method in electing the CPC Central Committee members at the 14th party congress so as to give higher representativeness and authoritativeness to the Central Committee. As everybody knows, the multicandidate election adopted at the 13th National CPC Congress caused the "authoritative theorists" Hu Qiaomu and Deng Liqun to lose the election. The readoption of the multicandidate election for the 14th party congress will obviously help preserve the advantage of the reform forces.

Article Describes Deng's Tour of Zhujiang Plant

OW0305022492 Beijing XINHUA Domestic Service in Chinese 2107 GMT 2 May 92

[By reporters Bo Sheng (2672 3932), Liu Zhi (0491 2535): "The Secret Is Winning Through Superior Quality"—On Guangdong's Zhujiang Refrigerator Plant, a Report on Quality of Chinese Products—XINHUA headline]

[Excerpt] Beijing, 3 May—On 29 January 1992, Comrade Deng Xiaoping zestfully inspected Zhujiang Refrigerator Plant. In the factory conference room, plant director Pan Ning gave a short briefing on the plant, which has increased its production output 16 times since it began operation seven years ago, and has become the nation's top producer and seller of refrigerators. Pan Ning said: "The enterprise has taken a giant stride every year in the past few years, and its secret is winning through superior quality." Upon hearing this, Deng Xiaoping smiled, showing satisfaction.

Relying on Superior Quality To Succeed

Director Pan's words truly portrayed the development of the plant. The plant was set up at the end of 1984. Since the beginning, the plant has established a managerial policy of winning through superior quality. [passage omitted]

RENMIN RIBAO Article Said Anti-Deng

HK0405064892 Hong Kong HSIN PAO in Chinese 4 May 92 p 16

["Monday Commentary" by Chi Hsing (7871 6580) (pen name of Li Yi 2621 1837, editor-in-chief of CHIUSHIH NIENTAI): "Barber Also Has His Hair Cut by Other People"]

[Text] "It is said that everybody has to have his hair cut, and even a barber has his hair cut by other people."

This old folk rhyme popular during the 1911 Revolution is very telling, especially its last verse, which means, "somebody may be treated the same way he treats others."

In the 43 years since the CPC seized state power, the power struggle has never ceased. The most important ploy in power struggle was "to wage red flags to oppose the red flag" as being exposed during the Cultural Revolution. The "red flag" must be held high by everybody, and the "red flag" in those days was Mao Zedong. Those who most loudly shouted the slogan of supporting Mao were often people who were in fact opposed to Mao. Among them, Lin Biao professed to be the man holding Mao's flag the highest, but in his secret "Summary of the 571 Project," he pointed out the need to "flaunting the banner of B-52 to oppose B-52," and B-52 was then Mao's code name.

After resuming power in the wake of the Cultural Revolution, Deng Xiaoping called for "thoroughly and correctly inheriting and implementing Mao Zedong Thought." What did "thoroughly and correctly" mean? In his late years, Mao stressed the theory of "continuous revolution." It seemed to Deng that Mao went against his consistent thought by advocating such a theory. Therefore, by "thoroughly and correctly," Deng meant that the part of Mao's words useful to Deng's line should be upheld and adopted, because many of Mao's theses, such as "seeking truth from facts," could be used to support Deng's pragmatic line. If one adhered to Mao's other theses, such as those about "struggling against the those who take the capitalist path," "carrying out continuous revolution under the proletarian dictatorship," "carrying out cultural revolution every 10 years," and "taking class struggle as the key link," one would have to be criticized and condemned for "one-sidedly" and "incorrectly" approaching Mao's thought.

Deng's gambit was recent used by the conservatives inside the CPC. This was exactly what the popular saying "a barber also has his hair cut by other people" describes. Deng opposed Mao's main theories in his late years by calling for "thoroughly and correctly implement Mao Zedong Thought;" now the conservative force inside the CPC is also resisting the main tendency advocated by Deng by means of calling for "thoroughly and correctly understanding Deng Xiaoping's speeches." The remarks Deng uttered during his inspection trip to the south were relayed by the CPC central leadership through Central Document No. 2 to the party rank and file. This was accompanied with a chorus of eulogy. At the same time, however, the CPC Central Organization Department and the CPC Central Propaganda Department also called for "all-sidedly and correctly understanding" Deng's speeches. Yuan Mu published a lengthy article in RENMIN RIBAO with the title "Firmly, Accurately, and Comprehensively Implement the Party's Basic Line." By "comprehensively" doing this, Yuan Mu meant while prominence is given to reform and opening, one must never forget the need to "uphold the four principles."

On 27 April, RENMIN RIBAO published a lengthy signed article by Leng Rong. On the one hand, it stressed the need to achieve the target of raising the per capita GNP to \$800 to \$1,000 by the end of this century as Deng Xiaoping proposed; on the other hand, it also pinpointed Deng Xiaoping's call for opposing bourgeois liberalization and calming down the "turmoil" in 1989. The article quoted Deng by saying: "Henceforth, if necessary, when elements of turmoil just emerge, we must go to any lengths to eliminate them as soon as possible and can adopt the means of martial law or even more severe means to free us from any external interference."

RENMIN RIBAO Sings Different Tune Against Deng Xiaoping

According to Deng's remarks during his inspection trip to the south, as relayed by Central Document No. 2, he still held a conservative political attitude but stressed reform and opening in the economic field. He emphatically called for "grasping the opportunity to accelerate economic growth for several years" and positively affirmed the high annual growth rate of 21.7 percent in industry between 1984 and 1988. Leng Rong's article, however, stressed that raising the per capita GNP to \$800 to \$1,000 by the end of this century is a "strategic objective" which Deng Xiaoping has mentioned in the past. The article hinted that "this is a target you have already set, so you should not seek excessive rapidity in economic development lest the economy overheat again."

China did not attach importance to the per capita GNP figure and did not make public such figures in the past. Leng Rong's article only mentioned the "strategic objective" of raising per capita GNP to \$800-\$1,000 by the end of this century, but it did not mention the current figure. From "Collection of China's National Conditions" published by the Political and Theoretical Department of QIUSHI in 1991, it is found that China's "total social product" in 1988 was 2,984.7 billion yuan. If this is divided by 1.1 billion people, then the per capita figure is 2,713 yuan or about \$500. If the growth rate in 1989 was 3.9 percent, in 1990 was 5 percent, and then in 1991 was 7 percent, the latest figure would be \$583. If the annual growth rate is 7 percent from now on, then the figure in 1999 will be exactly \$1,000.

Leng Rong's article quoted Deng's words and repeatedly stressed that the target of raising the per capita GNP to \$800-\$1,000 is on no account a "modest target;" instead, it is a "magnificent target." "According to China's actual conditions, this is a great achievement which will not come easily." In fact, it tactfully warned against rash advances in economic growth.

In contrast to Deng Xiaoping's affirmation of the high growth speed (of over 10 percent annually) between 1984 and 1988 and his call for "grasping the opportunity to accelerate economic growth for several years," the article obviously adopted the ploy of "using his own spear against his own shield." It should also be noted that Leng Rong's article bears the subtitle "Studying Comrade Deng Xiaoping's Idea About China's Modernization Development Strategy," but the article did not mention Deng's remarks about the need to "accelerate economic growth for several years in order to raise the whole economy to a new stage" during his trip to the south.

Moreover, Leng Rong's article also stressed the "socialist mode of distribution." It said: If the per capita figure is \$1,000, then the GNP will be \$1,000 billion. "If the wealth is distributed according to the capitalist pattern, the figure of \$1,000 billion would not mean anything significant even though it is regarded as the target of being comparatively well-off. In that case, only people

would still be unable to shake off poverty and backwardness, because only a few percent of people could live a well-to-do life, and over 90 percent of people would still live in poverty." Here, the article did not quote Deng Xiaoping's words. It said: "If the socialist principle of distribution is kept, then the entire people throughout the country will be able to live in a comparatively well-off condition. This is the reason why we must adhere to socialism."

Flaunting Deng Xiaoping's Flag To Oppose Deng Xiaoping

What did Deng Xiaoping say in this connection during his trip to the south? He also mentioned common prosperity and the need to "prevent polarization." However, "one of the solutions is to require the localities which become rich ahead of others to pay more taxes in order to support the development of the poor areas. Of course, such action should not be taken too early. At present, the dynamism of the developed areas must not be debilitated; still less can the practice of 'eating from the same big pot' be encouraged. We need to study when and how to prominently raise and resolve this issue and on what basis to raise and resolve this issue. We may envision that when the comparatively well-off living standards are reached by the end of this century, this issue will be prominently raised and resolved." By contrast, Leng Rong's article only mentioned the "socialist principle of distribution," and did not mention the policy of allowing some people and some localities to get rich ahead of others. Obviously, the article tried to garble Deng Xiaoping's previous speeches and lay lopsided stress on them in order to negate Deng Xiaoping's recent call for resolving the "big pot" issue at the current stage.

In the ideological aspect, during his trip to the south, Deng Xiaoping still said that "it is necessary to carry out struggle against bourgeois liberalization for 20 years," but he stressed that "it is necessary to mainly guard against leftism," and this was the keynote of his speeches. Deng also mentioned the issue of preventing "turmoil," but he only touched on this lightly. Leng Rong's article pinpointed Deng's previous remarks on opposing liberalization, however, calming down "turmoil," and even "adopting the means of martial law or even more severe means." In fact, the article tried to remind Deng Xiaoping not to forget what he said during the 1989 crackdown.

It is learned that Leng Rong's article was written by a joint writing group of the Central Propaganda Department and the Information Office of the State Council, and Yuan Mu is also involved in the writing of this article. Moreover, it is said that this article was just the first of a string of such articles to be published in the near future. Wang Renzhi, Gao Di, and Yuan Mu have planned to write a series of articles by "flaunting Deng Xiaoping's flag to oppose Deng Xiaoping" and by stressing the need to "thoroughly and correctly understanding Deng Xiaoping's line."

Qiao Shi, a member of the Political Bureau Standing Committee who is responsible for law enforcement and secret service, said in April when making an inspection tour in Shanxi that Deng Xiaoping's antileftist remarks were highly pertinent to some existing problems. On the other hand, some enlightened intellectuals in Beijing, such as Hu Jiwei, Qin Chuan, Sun Changjiang, and Zhang Xianyang, also pointed out that the CPC media are now still controlled by the leftists, so only the leftists can have the right to speak.

Therefore, in Beijing's current political situation, Deng Xiaoping only called for reform and opening in the economic field and remained politically conservative; even so, he was not supported by many people in the CPC top leadership. A report on 1 May about Chen Yun's activity in Shanghai on the eve of the Labor Day only quoted Chen by saying "I completely agree with the development and opening of Pudong!" He remained ambiguous toward Guangdong and Fujian, however, and did not echo Deng Xiaoping's such remarks as "boldly introducing more foreign investment" and "accelerating economic growth for several years" and such call as "deepening the scope of reform and expanding the scale of opening."

There Will Be Fierce Struggle Between Reformists and Conservatives Around 14th Party Congress

Since Deng Xiaoping's last move during his trip to the south, the CPC senior leaders have all professed support for Deng Xiaoping's line, but in reality, none of the ultraleftists who control the cultural and propaganda institutions has been relieved from office. The balance of strength between reformists and conservatives inside the CPC is about 50 to 50. Yang Shangkun and Yang Baibing who hold the control of the armed forces, and Qiao Shi who holds the control of the law-enforcement institutions are supporters of Deng. In addition, Li Ruihuan, member of the Political Bureau Standing Committee, and Vice Premier Zhu Rongji also support Deng. General Secretary Jiang Zemin, who is vacillating between the left and the right, may finally incline to the camp of reformists. In addition to such elders as Chen Yun, Li Xiannian, and Wang Zhen, people tending to be conservative also include Yao Yilin, Song Ping, and Deng Lihou. Li Peng, who seems vacillating, is in fact representative of the conservative force.

Around the personnel appointments made by the 14th CPC National Congress to be held in autumn, if the reformists gather their strength, then there will be a round of fierce struggle between them and the conservatives. If the reformists win the fierce battle, the results will find expression the personnel appointments made by the party congress. After they obtain the organizational guarantees, such things as Zhao Ziyang's rehabilitation and the reappraisal of the "4 June" incident may happen. At present, after Deng Xiaoping gave his last-ditch stroke, the conservative camp also went to great strengths to offset the effects. They flaunted the banner of "comprehensively and accurately understanding Deng

Xiaoping's line" to resist the main tendency of Deng Xiaoping's recent speeches and to obstruct the implementation of Deng's antileftist instruction. At the same time, being encouraged by Deng's speeches, some local leaders have become much daring in advancing reform and opening. This has brought about a lot of favorable measures for foreign investment, and is providing many opportunities for Hong Kong businessmen to make money.

CPC Central Committee Greets CYL Anniversary

Sends Message 3 May

*OW0205125592 Beijing XINHUA Domestic Service
in Chinese 0742 GMT 2 May 92*

[CPC Central Committee's greeting message of 3 May to the Central Committee of the Communist Youth League]

[Text] Beijing, 2 May (XINHUA)—The Central Committee of the Communist Youth League [CYL]:

On the occasion of the 70th anniversary of the founding of the Chinese CYL and the 73d anniversary of the "4 May" Movement, the CPC Central Committee hereby extends its warm congratulations to you and, through you, to all CYL organizations and the masses of CYL cadres and members as well as other youths throughout the country.

The founding of the CYL was an event of great significance in the Chinese history of revolution and in the history of the Chinese youth movement. Over the past 70 years, the CYL, under the leadership of the CPC and with its work closely centered on the party's central tasks in various periods, has united and led youths to struggle heroically, making great contributions to the nation's revolution and construction. History has shown the CYL truly to be the party's right hand and a reliable reserve force. The masses of CYL members and other youths have truly been an important force for building and defending the motherland.

The time between now and the end of this century is a crucial period for China's socialist modernization drive. The recent plenary session of the Political Bureau of the CPC Central Committee and Comrade Deng Xiaoping's important remarks set forth the guiding principles, strategic thinking, and policy for China's current reform and development as well as reform and development for a fairly long period to come. The CYL should regard studying and acting in the spirit of the plenary session of the CPC Central Committee Political Bureau and Comrade Deng Xiaoping's important remarks as its primary task, and conduct its work actively, creatively, and in a positive manner. We should educate CYL members and other youths to closely adhere to the party's basic line of "one central task and two basic points" and to firmly adhere to it for a hundred years. We should teach them to further emancipate their minds, to face up to reality, to actively engage in the work of reform and opening, to be bold in exploring new spheres, to strive to make new

achievements, and to make contributions to our great undertaking of building socialism with Chinese characteristics. The CYL should further build up itself and give full play to its role in conducting ideological education, in encouraging others to make creations through laboring, and in maintaining social discipline.

The future belongs to the younger generation. Struggling for the future of socialist China is the most honorable task and the greatest honor for the youth of this generation. The younger generation of China living at the turn of the century shoulders a heavy historical task. The party and the masses have always held high hopes for the youth; they have complete trust and full confidence in the youth. The party Central Committee believes that, under the leadership of the party Central Committee with Comrade Jiang Zemin as its core, the CYL definitely will be able to unite and lead the masses of its members and other youths to carry forward and promote the honorable tradition of the "4 May" Movement and to make new and greater contributions to the country's socialist modernization drive.

[Signed] The CPC Central Committee

[Dated] 3 May 1992

Urges Upholding Party Line

*OW0205143592 Beijing XINHUA in English
1354 GMT 2 May 92*

[Text] Beijing, May 2 (XINHUA)—The Central Committee of the Communist Party of China (CPC) recently called on members of the Communist Youth League of China to uphold the basic line of the party.

The party line stresses economic construction, supporting the policies of reform and opening to the outside world and upholding the four cardinal principles.

This year marks the 70th anniversary of the founding of the Communist Youth League of China, and 73rd anniversary of the "May 4th" Movement.

In a congratulatory letter to the Youth League which will be published tomorrow, the CPC Central Committee urges the Central Committee of the Communist Youth League of China to lead both its members and other Chinese youth in a further emancipation of thought and adherence to the precept of seeking truth from facts.

The letter stresses that members of the Youth League and young people as a whole should actively support the reform and opening effort, boldly engage in experimentation and strive for progress in order to contribute to building socialism with Chinese characteristics.

It notes that Deng Xiaoping's recent speech concerning the policies of reform and opening to the outside world provides the guidelines, strategy and policies necessary for the country's further development.

According to the letter, the Youth League should organize its members and Chinese young people as a whole to

study Deng's speech, along with the resolutions of the Political Bureau of the CPC Central Committee.

The letter points out that this generation of Chinese youth shoulders a heavy responsibility and will always have the trust of the party.

RENMIN RIBAO Views CYL Anniversary

CM0405111892 Beijing RENMIN RIBAO OVERSEAS
EDITION 4 May 92 p 1

[Editorial: "Shoulder the Important Historical Responsibility of Heading Toward the 21st Century—Marking the 70th Anniversary of the Founding of the Chinese Communist Youth League and the 73d Anniversary of the May 4th Movement"]

[Text] Having gone through 70 stormy years, the Chinese Communist Youth League [CYL] now ushers in the 70th anniversary of its founding. This year, the day also coincides with the 73d anniversary of the May 4th Movement. We wish to extend our festive greetings and regards to the vast number of CYL members and young people of all nationalities in the country.

The birth of the CYL was an important event in the history of the Chinese revolution and the history of the Chinese youth movement. Over the last 70 years, the CYL—which had 5,000 members when it was founded—has now become an immensely influential organization of advanced young people with 56 million members. Their contributions to China's revolution and construction have been enormous. People could see their heroic figures during the Northern Expedition, the Long March, the War of Resistance Against Japan, and the great campaign of liberating China; they could also see their youthful charm during the grandiose undertakings of national economic rehabilitation, of socialist modernization, and of the reform and opening endeavors. A revolutionary melting pot as well as a large school for people to learn communism through practice, the CYL produced a large number of brilliant political leaders like Zhang Tailei, Gao Junyu, Cai Hesen, Deng Zhongxia, Yun Daiying, Xiao Chun, Zhao Shiyuan, Ren Bishi, and Guan Xiangying, as well as group after group of advanced personages, heroes, and models who have contributed remarkably to revolution and reform. With its brilliant performance, the CYL has proved that it is a capable assistant and reliable reserve force for the party, and the vast number of members and young people are an important force in building and safeguarding the motherland.

People throughout the country are now earnestly studying and implementing the guidelines of the plenary session of the CPC Central Committee Political Bureau and the important talks which Comrade Deng Xiaoping made during his inspection tour of southern China. One common wish of the party and people is to seize the current opportunities to speed up the pace of reform and opening up and to concentrate their efforts on boosting economic construction. This is the top priority today.

Focusing on this priority, CYL organs must move ahead, doing their work actively and creatively. They must unite, educate, inspire, and lead the vast number of CYL members and young people to adhere firmly to the party's basic line as characterized by "one center and two basic points;" to inherit and carry forward the glorious traditions of the May 4th Movement; and, under the leadership of the CPC Central Committee with Comrade Jiang Zemin as the core, to work diligently to achieve the grand objectives of socialist modernization.

Shaking off poverty, boosting the economy, and building a powerful socialist China have been the dream of the Chinese for several generations. Each and every veteran CYL member coming from old China and each and every Chinese citizen watching world events, is aware that a backward country is apt to be beaten up, and a poor country is susceptible to being bullied. Under the CPC's correct leadership, and thanks to the hard work of people of several generations, we of the Chinese nation have eventually been able to gloriously and confidently stand tall among the nations of the world. Scientific, technological, and economic competition, have become increasingly rigorous throughout the world, however, and the situation confronting us remains grave. Rejuvenating China and building a socialist modern China are in the interest of the state and the nation, and these interests are higher than any others. Young people are vanguards in reform and construction. The 300 million young people and 56 million CYL members must rally under the banner of patriotism, go all out to make the country strong, wage arduous struggles, and consciously shoulder their historical responsibilities.

Reform and opening up have given the vast number of young people a spacious arena in which to demonstrate their talents. Young people are those most willing to learn, those least affected by conservative thinking, and those who are most creative; they have always been an important force in promoting social change. We should let young people demonstrate these strengths and divert their initiative and creativity to the area where they can make major strides in promoting reforms as well as opening up the country to the outside world. Building a socialist society with distinctive Chinese characteristics is a huge project which requires broad vision, courage, insight, and, above all honest, hard work. We should bring these elements together. After we have come up with ideas and plans for reform and opening up, we must make sure they are implemented and put into action. Displaying the spirit of seeking truth and innovation, the vast number of CYL members and young people should work earnestly in their respective posts to contribute to reform and opening up.

Boosting the national economy requires science and technology, and we need large numbers of trained personnel in order to promote scientific and technological development. Compared with developed countries, the level of our country's scientific and technological development, particularly the literacy of the Chinese people, are still quite low. This is the result of various historical

factors. Making up for this insufficiency requires the hard work of people throughout the country as well as the training of the younger generation. Therefore, young people must study even more painstakingly and diligently, and they must voluntarily follow the course of integrating themselves with workers and peasants as well as with practice. People the world over know that the Chinese are hardworking and intelligent people. Thus, for the sake of the country, we must do justice to this reputation so we can have a future place within the sphere of high technology. In the field of science and technology, the more advanced and the newer they are, the better they will be; the more advanced and newer science and technology we have, the happier our country and our people will be. We hope that all young people, including those who are studying abroad, will make themselves useful as early as possible so that they can serve the country with their skills and expertise.

An advanced youth organization led by the CPC, the CYL has a powerful and coherent strength among young people. The CYL must properly build itself up and make itself a school for young people to study communism during the course of practice; a bridge or link between the party and government on the one hand and young people on the other; and a representative which safeguards young people's interests and reflects their requests and aspirations so that it can do an even better job as the party's assistant and reserve force. Party committees and governments at all levels must support CYL operations, be concerned with young people's healthy growth, and create for them good conditions and give them the practical assistance they need to become useful personnel.

Young people are the hope of our motherland. The responsibility of achieving China's second and third-step strategic objectives and the important responsibility of ushering China into the 21st century are on their shoulders. We hope that, when the toll of the new century sounds in eight years, our CYL members and young people can proudly proclaim: We have sped up China's development and opened a new historical chapter, we have proved to be outstanding inheritors of the 5,000-year-old Chinese civilization, and we have proved to be an outstanding generation of the Chinese nation.

Fellow young people, stretch out your arms, set your minds in motion, and build an even more brilliant tomorrow in the history of China with your wisdom and sweat.

Chen Yun's Son Says Father's Health 'Not Bad'

HK0405034492 Hong Kong CHING CHI
JIH PAO in Chinese 4 May 92 p 2

[Report: "Chen Yuan on His Father Chen Yun's Health Condition"]

[Text] When asked about the issuance of banknotes by the Bank of China during his presence at an open meeting sponsored by the Asian Development Bank in

Hong Kong yesterday, Li Guixian, president of the People's Bank of China, said that he respects Hong Kong citizens' opinions and "follows the people's ideas." He added that this will be decided by the British Hong Kong Government.

When asked about the Hongkong Bank's purchase of the Midland Bank, Chen Yuan, vice president of the People's Bank of China, only expressed the hope that the Hong Kong Bank would help preserve Hong Kong's prosperity and stability.

On his father Chen Yun's health, he said: "His health is not bad, I think." Asked whether he had read the remarks Deng Xiaoping made during his inspection of south China, he asserted: "We have studied them at length."

Foreign Funding Prohibited in Media, Other Fields

HK0305080092 Hong Kong CHIUSHIH NIENTAI
in Chinese No 5, 1 May 92 p 21

[Article by Hsi Cheng (1585 2052): "Mainland China Prohibits Foreign Investment in Journalism and Publishing Industry"]

[Text] There has been much talk about absorbing overseas and Taiwan investment on the mainland now that reform and opening up are to be expanded. In actual fact, however, while there are some preferential trade arrangements and projects in absorbing foreign investment, there are others to which foreign investment is off limits or restricted.

Because of the lack of competitiveness of products, investment is restricted with regard to most products which cannot be exported, or which involve special techniques, and to traditional native produce as well. Besides, restriction in investment also covers such trades as urban communications and transportation, inland water and ocean-going transport, tobacco and liquor for the home market, cotton yarn and fabric, and fishery. According to the national plan, the State Council will revise and supplement the list of projects under restriction at irregular intervals.

Trades and industries that are off limits to foreign investment are press and publications, broadcast, movie, insurance, post and telecommunications, as well as other projects that involve national security or are harmful to the national economy and environmental pollution.

Currently, projects with investments encouraged by the mainland fall into the following categories: 1) import of world advanced technology, as well as new equipment and raw materials that will renovate products in the same category at home; 2) development of products with competitiveness in the overseas market or upgrading their levels for export; 3) projects involving voluminous investment, great risks, and slow economic yields; and 4) projects in urgent need in the fields of energy resources, communications and transportation and raw materials industries.

'Stories From Newsroom' on Ills of Feasting

OW0205044892

[Editorial Report] Beijing Central Television Program Two Network in Mandarin at 1130 GMT on 1 May broadcasts a two-part 88-minute installment from the series "Stories From the Newsroom," entitled "Unbearable Banquets." The number of the episode is not specified.

Part one begins with the visit of editor Xu and editor Chen from another magazine to the SOCIAL GUIDE newsroom. The two want SOCIAL GUIDE to give them the publishing rights to an article on the ills of dining and feasting written by a writer called Zhang Mingao, who apparently contributed the same article to both magazines. The article is entitled the "Great Chinese Banquet."

The SOCIAL GUIDE is unwilling to give up the article. As lunch time is approaching, the SOCIAL GUIDE editors invite the other two to lunch.

In a separate scene editor Niu is seen talking with her adult son about the cost of eating out. Her son says: "Isn't there a saying which says that revolution means inviting guests to banquets?" His mother corrects him and says: "Revolution is not inviting guests to banquets. Don't talk nonsense. It's reactionary."

In order to secure the publishing rights to the article, editors Xu and Chen invite the writer Zhang Mingao and his family to a restaurant. Editor Yu, who happens to be at a nearby table with other people, witnesses the scene.

Part two begins with the editors at SOCIAL GUIDE discussing the possible deal between editors Xu and Chen and writer Zhang Mingao. They decide to invite Zhang Mingao to dinner and make him sign a letter promising to let SOCIAL GUIDE publish the "Great Chinese Banquet" article.

Breaking his promise, Zhang Mingao hands over the original draft of the article to editors Xu and Chen. Disgusted with the deviousness of Zhang Mingao, chief editor Chen of SOCIAL GUIDE decides to give the publishing rights of the "Great Chinese Banquet" to editors Xu and Chen. To this, editor Xu says "Thank you;" and editor Chen says "Let's go eat."

QIUSHI Criticizes 'Eating at Public Expense'

HK0405142692 Beijing QIUSHI in Chinese
No 6, 16 Mar 92 p 48

[Article by Wang Yungong (3769 0336 1872): "What Measures Should Be Taken Toward 'Those Eating at Public Expense?'"]

[Text] Since the issuance of the Central Committee document strictly forbidding feasting and the giving of gifts at public expense, the practice has somewhat quieted down, according to some newspaper reports. In some places, however, those eating at public expense who have managed to escape the restrictions are still

squandering funds. The author has heard one such participant unabashedly brag: "What's wrong with some eating and drinking? We have 'eaten and drunk' the equivalent of at least one automobile over the past few years. Has anything happened to us? But what if I embezzle a car?" This is the confession of those who reason that "embezzlement is a crime but feasting and squandering are all right."

This man's "frankness" is enough to give people cause to ponder. I cannot help but think about a few statistics: 1) According to some estimates, excluding the giving of gifts and travel at public expense, feasting at public expense alone in recent years has cost our country up to 10 billion yuan, equivalent to almost 100 construction projects; 2) According to a CHINESE WOMEN'S NEWSPAPER report on 27 November last year, 12 people from a county bureau spent 28,800 yuan on a banquet, setting a new record for feasting at public expense; 3) According to a RENMIN RIBAO report on 13 November last year, in a county-level city, the cost of feasting at public expense, which could be traced on the books, alone totalled 8.5 million yuan. Despite the surprisingly huge amount of money being squandered, the author has never seen anyone being given criminal punishment for excessive use of public funds for feasting. Taking for example those who have confessed that "we have eaten the equivalent of at least one automobile in the past few years," do not they still go unpunished? Undoubtedly, if he indeed embezzles enough money for a car he surely cannot escape punishment. As a matter of fact, it is not uncommon to see people embezzling several thousands or tens of thousands of yuan being punished for criminal offence. "Wastrels" who spend tens of thousands of yuan of public money and even more for feasts often go unpunished, however. There exists a huge difference between dealing with embezzlement and squandering, and it is not surprising that some people remain so indifferent to the order to "strictly forbid the use of public expenses for eating and giving gifts" and still do whatever they like despite "repeated injunctions" from above! In their eyes, since large feasts are all at public expense without having to dig into one's own pocket, then "it is foolish not to take advantage of it, and nothing will happen if you do," so why not enjoy it? Feasting at public expense has become a persistent and serious ailment and is difficult to eliminate despite being banned for a long time; although there are many reasons for this, the practice of dealing severely with embezzlement but leniently with squandering is feared to be one of the important factors. It shows that our legal restrictive mechanism needs to be further perfected and we need to arouse the attention of leading organs and legislative and judicial organs at various levels.

Based on traditional practice in the past, violators of economic discipline are given administrative and party disciplinary punishment; offenders of serious embezzlement and bribery crimes are punished by law and their criminal liabilities pursued. This is perfectly justified.

Based on the same theory, administrative and party disciplinary punishment should be rendered to those who squander public expenses for banquets and gift-giving and those who cause enormous losses for the state in doing so should be punished by the law! This is because using public money as the financial source for feasting, gift-giving, and travel while not spending a single cent from one's own pocket is a covert act of embezzlement and bribery, which are crimes serious enough to do a great deal of harm. Due to this point and in order to genuinely halt the wrongful practices of feasting, gift-giving, and travel at public expense and to win the people's trust with clean government—apart from using relevant regulations and laws of the state to punish embezzlement and bribery to prevent them from gaining economically—we should put the ban into a legal framework and promulgate relevant laws and regulations to support this ban with a legal base. We should be strict in carrying out the laws and never pardon any violation! If this can be done, should the above-mentioned audacious man eating at public expense still dare to "eat" the second automobile?

Shenzhen, Guangdong Press For More Autonomy

*HK0205052092 Hong Kong THE STANDARD
in English 2 May 92 p A-5*

[By Cary Huang]

[Text] The competition between Shenzhen and Guangdong for greater economic autonomy is escalating.

The infighting intensified after paramount leader Deng Xiaoping gave his personal blessing to Shenzhen's demand for more autonomy, according to Chinese sources yesterday.

The two reformist regional authorities were pressing Beijing for more powers and special treatment in economic matters.

Shenzhen had already gained some edges over Guangdong in the competition.

The city had already set up a stock exchange—one of the two on the mainland, and it had obtained approval to expand the special economic zone to include the neighbouring Baoan county. A source said that Guangdong provincial officials were trying to block Shenzhen's drive to ask for Beijing's endorsement to have legislative powers.

Shenzhen municipal officials scuttled a plan by the provincial authorities to set up the country's third stock exchange in Guangzhou. The sources said Guangdong officials were unhappy with Shenzhen's bid for more autonomy which they thought would result in a more independent local government in the province.

The source said Shenzhen officials had lobbied central leaders for support for its economic autonomy during their visits to the city.

In the January visit, Mr Deng and President Yang Shangkun gave endorsements to Shenzhen's expansion of Special Economic Zone area.

Late last year Guangzhou Mayor Li Ziliu said the Guangdong provincial capital was certain to be the third in China to open a securities market.

The plan had recently been turned down by Beijing.

Article Views Jiangsu-Shaanxi Cadre Exchange

*HK0405032592 Beijing RENMIN RIBAO
in Chinese 26 Apr 92 p 3*

[Article by Jiang Chunchao (3068 2504 3390): "New Attempt To Achieve Prosperity Shared by Coastal and Inland Areas—Survey of Cadre Exchange Between Jiangsu and Shaanxi"]

[Text] At the beginning of last year, through the links made by some old comrades and the China Fund for Helping Poor Areas, seven cities in Jiangsu and four prefectures and cities in Shaanxi started a one-to-one exchange of cadres. Through the practice of over a year, they have preliminarily found some new ways to achieve common prosperity between coastal and inland areas. This also gives us much helpful inspiration.

1. The principle of those who have already become rich helping those less fortunate in order to achieve common prosperity should become a new aspect of cadre exchange.

The chief leading comrades of Jiangsu and Shaanxi provinces have paid close attention to this idea. They had cadres at various levels sign up voluntarily and, according to the principle of one-to-one exchange, selected a total of 146 cadres: four at the provincial level, eight at the prefectural and city level, 62 at the level of deputy county magistrates, and 72 cadres in enterprises and institutions. They mobilized them and organized training for them. It was temporarily fixed that each term of cadre exchange would last two years, by the end of which renewal is possible or the cadres can be replaced through bilateral consultations. The cadres Jiangsu sent to Qin-Ba [Qinling and Daba Shan] Shan area in southern Shaanxi have played an active part in the local leading groups at various levels and have helped the cadres in southern Shaanxi heighten their consciousness of the commodity economy and their awareness of reform and opening up, injecting new blood and vitality into the prefectural and county leading groups there. Jiangsu also sent over 920 people to southern Shaanxi to carry out more extensive observation and study and, in light of the realities of southern Shaanxi and in conjunction with the comrades there, made preliminary plans and arrangements for economic development, reform, and opening up which suited local conditions. They focused on helping southern Shaanxi develop township and town enterprises. The cadres sent to Jiangsu from southern Shaanxi who took up temporary posts while studying also benefited tremendously. The hardy Yanan spirit they displayed in flood fighting and rescue operations last year won them the title of "propaganda team of

Yanan spirit" from Jiangsu. Southern Shaanxi, on the other hand, praised the cadres from Jiangsu as "sowers of the prosperity process." More importantly, they established direct connections among 62 counties, 218 villages and townships, and 228 factories and other enterprises between southern Jiangsu and southern Shaanxi through the cadre exchange. By so doing, they built a bridge of friendship and cooperation between the coastal and inland regions. The people in southern Shaanxi used this vivid metaphor: "I am at the fountainhead of Han Jiang [one of Chang Jiang's tributaries] and you are at the end of Changjiang/We drink from the same river and follow the same road of prosperity."

2. Conducting various forms of transregional economic cooperation and combination in accordance with the principle of using one's own advantages to help one another for mutual benefit. Shortages of technology, capable people, and funds are the main obstacles to economic development in southern Shaanxi. It also shows the most essential difference between the coastal region and the inland region. In view of this, the cadres from southern Jiangsu combined economic development with the reform and opening up process and integrated the effort to end poverty with the effort to eliminate ignorance. While sharing southern Jiangsu's experience in reform and opening up with southern Shaanxi, they also trained 2,202 people in various categories for southern Shaanxi. Among them, 194 were mainstay personnel of township and town enterprises, 153 factory directors and business managers, 155 technicians, and 1,700 skilled workers. Besides, they also brought into southern Shaanxi over 500 technical and management personnel and nearly 100 relatively advanced technologies from Jiangsu; helped southern Shaanxi transform old enterprises, exploit rich mineral resources, and develop the production and processing of local agricultural and sideline products as well as indigenous goods. They attached great importance to providing information and feedback to each other: The information provided by southern Jiangsu for southern Shaanxi was 1,259 pieces, over 800 of which were effective. All this injected vitality and thriving vigor into southern Shaanxi in its economic development and reform and opening up. For instance, after the newly built silk mill went into operation, the comrades sent to Zhenan County from southern Jiangsu invited the director and engineers of Liyang Reeling Mill from their home province to help this enterprise exercise streamlined management. As a result, nearly 3 million yuan was saved from the investment, and the time spent on it was reduced by nearly one year. This project was praised by local public as "Zhenan's example of southern Jiangsu's speed." Here is another example: In Foping County in southern Shaanxi, which has a population of 50,000, there was not a single factory. Jiangsu's Yizheng Automobile Factory, following the principle that coastal areas should radiate their resources to inland areas, extended the production of hoisting jacks to this county and brought the products back to the parent factory, thus giving birth to the first factory in Foping County. Here is

the third example: Jiangsu's Kunshan County was running an iron and steel factory and spotted a market for their steel products in northwest China. Taking advantage of the fact that the price of electricity in Langao County in southern Shaanxi was two jiao less per kilowatt hour than in Kunshan, they invested 1.2 million yuan and built a steel base in this county, which significantly reduced the cost of production and provided some local employment. This was also an example of complementary and beneficial relations between the coastal and inland regions. Besides, through the investigation and feasibility tests by both sides and in accordance with the strategy for economic development in southern Shaanxi, over 200 projects were brought in from southern Jiangsu. This batch of projects focused on transforming existing enterprises, exploring and exploiting local resources, and seeking quick results and high efficiency. The two sides invested a total of more than 100 million yuan. The increase of output value and that of profits and taxes after the completion of these projects was estimated at more than 500 million yuan and more than 70 million yuan respectively, which is bound to change the poverty in Qin-Ba Shan area tremendously. What is particularly worth mentioning is that southern Jiangsu and southern Shaanxi did something without example, namely, two enterprises from the two regions jointly set up a factory abroad. This means that inland enterprises can also enter the international market with the help of coastal areas as the bridge. All these facts fully prove that they have preliminarily found a new form of economic cooperation between the east and the west and a new way of helping those that are not yet rich.

3. Opening up the markets in both provinces and establishing new channels for commodity trade. Corn, Jacob's ear, Chinese mushrooms, slabstones, wooden planks and lathes, and other indigenous and special products from southern Shaanxi entered Jiangsu's market, and some famous and high-quality products from Jiangsu went to southern Shaanxi. At the Changzhou City new products fair, over 13 million-yuan worth of transaction in indigenous and special products from southern Shaanxi's Shangluo Prefecture were completed at one go. By the end of 1991, the sales volume of commodities from southern Shaanxi to Jiangsu was 70.37 million yuan and that from Jiangsu to southern Shaanxi 21 million yuan, the total transaction volume being over 90 million yuan. Southern Shaanxi also set up trade agencies in Suzhou, Nantong, and Changzhou; southern Jiangsu did the same in Ankang, Hanyin, and Xian. Especially noteworthy was that the slabstones, zinc powder, and plywood from southern Shaanxi were brought into the international market through the trade agencies in southern Jiangsu. Delighted, they said: "We never expected that the golden phoenixes from our remote valleys could fly abroad." Obviously, these practices that Jiangsu and Shaanxi have engaged themselves in are not only of great significance to gradually forming a unified market in the nationwide

macrocirculation, but have also made a helpful start in exploring ways to develop the opening up process in inland areas.

In sum, the approach that Jiangsu and Shaanxi employed in their cadre exchange, characterized by the practice that those who become rich first help those who are not yet rich, is correct, and the experience they have accumulated is valuable. Today, some provinces and municipalities in coastal areas have followed suit: The cadre exchange between Shandong Province and Yunnan and Yulin Prefectures [both in Shaanxi Province] and that between Tianjin Municipality and Gansu and Sichuan Provinces have begun; that between Beijing and Yunnan and that between Shanghai Municipality and Shanxi are under deliberation. The momentum of concerted efforts between coastal areas and inland areas in reform and opening up and helping the less rich is now in the ascendant. The most valuable part of the experience that Jiangsu and Shaanxi have had also lies in the following aspects: First, they did not rely on the state for money or material aid; and, second, they did not rely on the coastal region for uncompensated offer of money and material aid, for they predominantly relied on the various forms of mutually benefiting cooperation and combination between the coastal and inland regions. The practice has shown that such cooperation and combination is the only way that the state's preferential policies toward poor areas can be well and fully utilized.

International Labor Day Celebrated Nationwide

OW0105141892 Beijing XINHUA in English
1402 GMT 1 May 92

[Text] Beijing, May 1 (XINHUA)—International Labor Day was celebrated today throughout China.

In Beijing, more than 2,000 model workers from across the country mounted the Tiananmen rostrum and joined many hundreds of thousands of Chinese citizens in Labor Day celebrations.

Some 76,000 dedicated workers and cadres remained on duty at the Capital Iron and Steel Complex, while additional 5,000 workers worked diligently on the No. 4 furnace updating project, which is scheduled for completion in only 58 days.

More than five million Shanghai residents joined in festive Labor Day celebrations.

The Shanghai Municipal Trade Union Council, a branch of the All-China Federation of the Trade Unions, held a ceremony to award "May 1st medals." Seypidin Aze, vice chairman of the Standing Committee of the National People Congress, presented the medals to the model workers.

More than 20,000 workers in Tianjin participated in a sports competition organized as part of the city's Labor Day celebrations.

Major parks of Shenyang, the capital of Liaoning Province, organized various recreational activities to celebrate the holiday.

Thousands of citizens in Nanjing, the capital of Jiangsu Province, and Wuhan, the capital of Hubei Province, attended celebrations in city parks.

The weather in Lhasa, the capital of the Tibet Autonomous Region, was sunny and people of all walks of life visited the Norbu Lingka—the former summer palace of Dalai Lama, and participated in various other festive activities.

Crowds of people gathered near the colorful tents raised in the shadows of trees near Norbu Lingka and sang and danced in a festive atmosphere.

'Model,' 'Advanced' Workers Support Reform

OW0105124992 Beijing XINHUA Domestic Service
in Chinese 0410 GMT 1 May 92

[By reporter Li Niangui (2621 1628 6311) and Sun Jie (1327 2638)]

[Text] Beijing, 1 May (XINHUA)—Over the last few days, representatives of national model workers from all over the nation and the winners of this year's 1 May worker medals and certificates gathered in Beijing to celebrate 1 May International Labor Day. Participate In Reform, Support Reform, Promote Reform, Make Efforts To Push Forward Reform—whether it was at the dignified rostrum of the Great Hall of the People or at the dining halls and hostels where they are stationed, these heroic models all voiced this unified call from the bottom of their hearts.

"Reform and opening to the outside world is the common cause of the masses, and the working class are the executors and the main force for implementing the policy of reform and opening to the outside world. Wholeheartedly supporting and upholding reform is the unshirkable historic duty of the working class." National model worker, coal miner Hou Zhenqing of the Kaili Mining Bureau Zhao Gezhuang mine, accurately gave voice to the people's common wishes. Model workers and advanced workers from throughout the nation successively said that, as the advanced production force and the representatives of the relations of production, China's working class will firmly adhere to the central task of economic construction under the leadership of the party and make contributions toward the nation's economic construction so that our socialist motherland's economy will be able to reach new heights over the next few years. Renowned national model worker Bao Qifan, senior engineer of Shanghai Harbor's Wood Materials Handling Company, whose scientific research achievements have won several state invention awards, said with feeling: The central government has designated Shanghai's Pudong District as the main focus of China's opening to the outside world in the 1990's, and this is the common wish of our 5 million industrial workers in Shanghai. We, the working class of Shanghai, must

comply with party and state requirements to do a good job in developing and building Pudong.

Efforts should be made to dismantle the old system, which constricts the development of productive forces, in order to establish a new system which is vibrant and full of vitality and to continuously liberate and develop productive forces; this will inevitably involve readjusting benefit relations. Reforming the employment of labor, wage distribution, and cadre personnel systems currently being implemented throughout the nation involves the benefits of hundreds of millions of workers. Representative of the winners of the national 1 May worker certificate, factory manager Xie Weimin, of the Xinxiang Chemical Fiber Factory, pointed out: Reform may require the vast number of workers to temporarily sacrifice some of the benefits they currently enjoy—nevertheless, it represents basic benefits for the working class. We must carry forward the working class's fine tradition of selflessness, enhance our awareness of the policy of reform and opening to the outside world, and appropriately handle the relations of benefits among the state, the collectives, and the individuals. A national model worker from Tianjin related a touching story: In the course of implementing reform of the employment system, the Tianjin No. 2 Printing and Dyeing Plant retrenched some 90 workers, many of whom were veteran workers. The factory manager was worried that the veteran workers who had struggled for years for the enterprise may feel dissatisfaction over the retrenchment just when they were about to retire. At that time, 25 veteran workers jointly wrote a letter to the factory manager to voice their support for the factory's reform. They said in their letter: One should not only think of oneself but also think more of the state and the collectives. When the factory collapses as a result of not carrying out reform, will there still be any benefits for individuals? These deeply moving words embodied the open-mindedness, the noble character, and the sterling integrity of China's working class in giving due consideration to the overall situation.

"Reform is an extremely difficult task. We must not only have the boldness of vision but also the spirit of being scientifically realistic," said national model female worker Dong Yie of Zhengzhou's state-run No. 3 Cotton Mill. "In the wake of reform and opening to the outside world, the working class must compete and race to promote reform, to enlarge opening to the outside world, to speed the development of the national economy and to make larger contributions toward promoting the overall advancement of all of society." In his speech at the 1 May Labor Day rally, representative of the winners of the 1 May Worker Medal, Rong Shiyang, factory worker of the Suzhou Telecommunications Equipment and Electrical Machinery Plant warmly urged: There are numerous tasks to be performed in the future, and the journey is long. The prosperity of the nation and the revitalization of the Chinese nationality are dependent on our creative workers. All workers throughout the nation should assume the posture of being masters of

their own fate and stand up in the forefront of reform and the two civilization construction, and actively participate in the democratic management of enterprises and industries, as well as take part in reforming the economy, science and technology, education, culture, and public hygiene, and wage efforts to construct a prosperous socialist motherland.

Correction to Chen Yun on Accelerating Reform *CM0405154192*

The following correction pertains to the item headlined "Chen Yun Urges Shanghai To Accelerate Reform" and subheaded "XINHUA Domestic Reports," published in the 1 May China DAILY REPORT, page 18.

Make subslug read: ...[By reporter Chen Maodi (7115 3029 1717): "Chen Yun Encourages Comrades in Shanghai To Seize the Current Favorable Opportunity, To Accelerate the Pace of Reform and Opening Up to the Outside World, and To Concentrate on Developing the Economy"—XINHUA headline]... (providing headline).

QIUSHI No 9 Table of Contents Carried *HK0205025392 Beijing RENMIN RIBAO* *in Chinese 30 Apr 92 p 5*

[Table of Contents for QIUSHI No. 9, 1 May 1992]

[Text] Article by Shanghai Shangling Refrigerator General Plant CPC Committee: "Rely on Working Class Wholeheartedly, Make Serious Efforts To Run Large and Medium State-Owned Enterprises Well"

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Article by Wu Changzhen: "Important Law Protecting Women's Legitimate Rights and Interests—Written on Occasion of Promulgation of PRC Law on Protecting Women's Rights and Interests"

Article by Deng Pufang: "Civilization and Call for Progress"

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Article by Gua Tian: "Various Forms of Formalism"

Article by Yu Jingkun: "Good Book Worth Recommending to Entire Society—Brief Review of 'Wei Shusheng—Reformer in Education'"

Article by Qiu Shi: "'Beijing Yearbook' With Capital's Own Characteristics"

Military

Central Military Commission Plan for Disarmament

HK0205042192 Hong Kong CHING CHI

JIH PAO in Chinese 2 May 92 p 3

[By special correspondent Chang Hua (1728 5478): "CPC Calls on Military To Support Reform, Conducts Positive Education Instead of Launching Activities To Eliminate 'Left' Tendencies"]

[Text] According to a military source in Beijing, the enlarged meeting of the Central Military Commission, which ended last weekend, decided to serve as an "escort" to reform and opening up but not to launch activities to eliminate "left" tendencies in the army. The meeting also formulated a new disarmament proposal.

The enlarged meeting, which was the first top-level army meeting against the background of Deng Xiaoping's comments during his southern tour and further promotion of reform and opening up, was presided over by Yang Baibing, secretary general of the Central Military Commission. Jiang Zemin, chairman of the Central Military Commission and general secretary of the CPC Central Committee, spoke at the meeting. Persons in charge of the General Staff Department, General Political Department, General Logistics Department, as well as all arms and services and all military regions, attended the meeting.

According to the source, the meeting set forth three requirements for implementing the remarks Deng made during his southern tour. 1) Firmly support reform and opening up by serving as an "escort" to this process; 2) learn the reform spirit from the localities and promote military work with this spirit; and, 3) comprehensively and accurately comprehend the spirit of Deng Xiaoping's comment that "we must be alert for right tendencies, but mainly we must guard against 'left' tendencies," persist in conducting education within the army primarily by offering positive examples, and refrain from launching activities to eliminate "left" tendencies.

The source pointed out that the main purpose of the enlarged meeting deciding not to launch activities to eliminate "left" tendencies is to protect the army's image and avoid, as a result of eliminating "left" tendencies, obliterating the army's contribution in defending the republic during the 4 June incident.

Moreover, the source revealed that the meeting also worked out a new disarmament proposal. It decided to abolish three field armies and turn the military units into the Armed Police Force and units of provincial military districts; to abolish about 20 military academies and schools, including some army schools for junior officers and technical institutes and schools; to merge the four military departments under the General Staff Department, i.e., the Armored Forces Department, Antichemical Forces Department, Artillery Department, and Engineering Corps Department, into a Special Arms

Department; and to preserve the Jinan Military Area, which was originally scheduled to be abolished.

The meeting decided that the guiding principle of disarmament is to have the best armed forces that China's conditions permit and to enhance combat effectiveness.

The source also disclosed that the most difficult problem facing the present troop reduction is the placement of demobilized officers.

Given that local party and government organs are over-staffed and that local enterprises are discarding the "iron rice bowls," it is hard to find posts and wage grades corresponding to those of the demobilized officers.

PLA Decommissions Last Soviet-Made Destroyer

OW0405091392 Beijing XINHUA Domestic Service in Chinese 0422 GMT 4 May 92

[By correspondent Xu Sen (6079 2773)]

[Text] Qingdao, 4 May (XINHUA)—New China's first destroyer Anshan was gloriously decommissioned recently.

Anshan, bought from the Soviet Union in 1954, was the first destroyer to join the order of battle of the People's Navy. It has now become the last Soviet-made destroyer decommissioned in China. All the ships in our navy's destroyer fleet are now Chinese-made.

In 38 years, Anshan has sailed more than 100,000 nautical miles and performed the longest service among all destroyers in the world. Until it was decommissioned, it still maintained a first-class training level in the navy. It accomplished many important tasks, including combat patrols, escorts, joint exercises, and reception of visitors from foreign armed forces. The revolutionaries of the older generation who inspected or rode on the Anshan include Zhou Enlai, Liu Shaoqi, Zhu De, Deng Xiaoping, Peng Dehuai, Chen Yi, He Long, Ye Jianying, Nie Rongzhen, and Dong Biwu.

It has been learned that Anshan will be put on display in the Naval Museum.

Economic & Agricultural

Commentary Lauds Move To Cut Peasant Burdens

OW0305115292 Beijing XINHUA Domestic Service in Chinese 0341 GMT 3 May 92

[Commentary: "Lessening the Burden of Peasants is an Important Link in Deepening Rural Reform"—XINHUA headline]

[Text] Beijing, 3 May (XINHUA)—The State Council promulgated the "Regulations Governing Fees and Labor Services Borne by Peasants" recently. The "Regulations" specify that the total amount of expenses borne by peasants should not exceed five percent of their net income of the previous year. This has provided an important legal basis for lessening the burden on peasants. Various localities have done a tremendous amount

of fruitful work in accordance with the State Council's demand. However, some localities, units and individuals still have not implemented the "Regulations" earnestly. They continue to practice wanton collection of fees, wanton apportionment of expenses, and wanton collection of fines from peasants, thereby seriously hampering the deepening of rural reform and development of the rural economy.

According to an analysis by relevant departments, the following are major reasons for the current increase in the burdens of peasants. Some localities have overestimated the peasants' wealth and initiated some costly public welfare projects, expenses of which are, of course, apportioned to peasants. Some villages and towns and "service organizations" are wantonly collecting high fees from peasants on the pretext of providing various services to them. There is a fairly large number of grass-roots personnel in rural areas who receive subsidies. Some departments managing agricultural materials and power supply to rural areas have wantonly increased prices for the benefit of a small group of people. Some departments relevant to agricultural production and the peasants' livelihood are practicing apportionment of expenses under any pretext, from top to bottom. As a result, peasants in some counties have to shoulder as much as some 180 types of expenses. Peasants have complained: "The primary tax (state agriculture tax) is light, the secondary tax (amounts retained) is heavy, and the apportionments from all sides are endless."

Addressing the problem of peasants' excess burdens, the Eighth Plenary Session of the 13th CPC Central Committee stressed: "We must adopt strong measures to lessen peasants' burdens."

Lessening peasants' burdens to enable them to participate in agricultural and village and town enterprises production with light burdens is a prerequisite for them to commonly pursue a relatively comfortable living standard. If the burdens of peasants are not resolutely and thoroughly reduced, peasants will always toil under difficult conditions and with heavy burdens. How should the system of contracted household responsibility linked to output be stabilized? How should the two-tier operations system be perfected? How should social services be developed soundly? Lessening peasants' burdens is a prerequisite for rural economic development and a necessity for deepening rural reform. Comrades of various relevant departments should have an absolutely clear understanding of this matter, and should never commit the stupidity of "draining the pond to get all the fish."

All departments related to increasing fees borne by peasants should compare their documents with the relevant stipulations of the State Council's "Regulations," and resolutely abolish all "secondary documents" that do not conform to the State Council's guidelines. All unreasonable burdens on peasants should be reduced without reservation. We must not be sloppy and must

make a firm decision to implement the task. All commodity prices, finance, supervision, and legal departments at all levels should actively and effectively cooperate with departments supervising and handling fees borne by peasants. They should carry out investigations in accordance with the laws and without any ambiguity in dealing with those departments, units, and relevant personnel who continue to violate the "Regulations" and practice wanton apportionments, wanton collection of fees and fines from peasants. If all departments from top to bottom share one mind in resolutely safeguarding the peasants' legitimate rights and interests as well as in implementing the lessening of their burdens as a major task in a down to earth manner, rural economy will definitely develop greatly.

Reform Results in Nationwide Vegetable Circulation
OW0205105792 Beijing XINHUA Domestic Service
in Chinese 2116 GMT 1 May 92

[By reporter Xiang Hu (0686 5706)]

[Text] Chongqing, 2 May (XINHUA)—Reform has enabled production and marketing of vegetables to be carried out on a larger scale in China—a new setup for the large-scale circulation of vegetables is gradually taking shape in which vegetables produced in southern China are shipped to the north, vegetables produced in northern China are marketed in the south, and the eastern and western parts of the country trade vegetables.

Reform of the vegetable-production and marketing system in large and medium-sized cities, which began in 1984, has developed from initially using control as a major means and delegating limited powers to lower levels, to the current bold deregulation and limited control, and substantive breakthroughs have been achieved. Data provided by a meeting of 10 major cities in the country to discuss experiences in reforming the vegetable-production and marketing system show that production and marketing of only a few kinds of vegetables in the country's 10 largest cities, including Shanghai, Beijing, Tianjin, Chongqing, and Guangzhou, are still under government control; and the periods of control are only limited to off seasons, festivals, and during disasters. Currently, vegetable dealing in all large cities has been completely decontrolled; a large number of peasants have entered the circulation sphere from vegetable-production work, forming a large vegetable-marketing troop travelling throughout the country.

Reforming the vegetable-production and marketing system has effectively contributed to the development of vegetable-production bases. According to incomplete statistics, since 1985, 36 large and medium-size cities, including provincial capitals, have invested nearly 2 billion yuan in developing vegetable-production bases. Shanghai has invested more than 500 million yuan to build vegetable-production facilities on 160,000 mu of land on the outskirts of the city and has initially established five systemized operations—vegetable-production

base facilities, a fine-varieties system, seedling cultivation in factories, automatic water drainage and irrigation, and protected lands.

Developing vegetable-production bases also has laid a foundation for the establishment of vegetable markets at various levels, especially wholesale markets. Most of the 40 large and medium-sized vegetable wholesale markets, the construction of which began last year with 50 million yuan of aid arranged for by the State Council, have been completed and have yielded good results. Business transacted at vegetable wholesale markets has accounted for about 40 percent of the total volume of vegetables marketed in the country.

Currently, vegetables produced in various parts of the country are widely available to residents of many large cities. In recent years, in addition to building vegetable-production bases in far-off suburban areas, Beijing has established more stable relationships with the country's five largest vegetable-production bases. More than 500 million kg of Chinese cabbage and other kinds of vegetables—about a quarter of the total amount of vegetables marketed in Beijing each year—are shipped to Beijing each year from Tangshan and other localities. Sichuan's Chengdu and Chongqing, on the one hand, ship out large quantities of vegetables from Sichuan during spring and winter seasons, and, on the other hand, have signed vegetable compensation agreements with Lanzhou, Xi'an, Taiyuan, and Zhangjiakou in an effort to regularize the varieties of seasonally marketed vegetables and vegetables marketed during festivals and holidays, and to prevent the shortages of vegetables in the event of major disasters.

Rules for Dismissing Workers Being Drafted

HK0105135092 Hong Kong ZHONGGUO TONGXUN
SHE in English 1319 GMT 1 May 92

[Text] Guangzhou, May 1 (HKCNA)—The authorities are now drafting dismissal rules and regulations. These will clearly state that several specific categories of employees will be subject to them.

First, persons found committing breaches of laws and disciplines and showing a poor attitude toward their work. Second, persons found to be incompetent for three consecutive years and not observing arrangements made by their employer. Third, persons who are found redundant in the wake of streamlining of the establishment or as a result of optimum organization of personnel and who refuse to accept a reasonable reassignment. Fourth, persons in violation of stated regulations during recruitment or employment who do not conform with the regulations required of the post they hold. Fifth, persons causing serious consequences to enterprises by hampering the economic and technological interests of the enterprises where they are employed. Sixth, persons seriously committing breaches of professional ethics and workshop discipline with bad consequences. All these six categories of employees will have to be dealt with according to the new dismissal rules.

Ministry Reports Declining Industrial Stockpiles

HK0205063392 Beijing CHINA DAILY in English
2 May 92 p 1

[Article by staff reporter Li Hong: "Raw Goods Stockpile Falls Due to High Output"]

[Text] Stockpiles of the country's basic raw materials are falling, according to the Ministry of Materials and Equipment.

This compares with a marked increase in industrial inventory in the first quarter of this year.

The ministry said the fall in stockpiles was due to the "blind quest" for output growth in the manufacturing sector and promised it would step up macroeconomic control to seek a relative balance of market demand and supply by the end of the year.

A jump of almost 36 percent in materials sales during the first quarter of this year cut the total resources stockpiles by about one 10th, the ministry said.

By the end of March, reserves of steel, down 3.38 million tons from early January, reached its lowest level in 20 years, while copper declined by 23,000 tons, aluminium by 133,000 tons, and timber by 4.12 million cubic metres.

Due to a surge in market purchases, the price of all raw materials climbed 4.5 percent during the first quarter this year.

But a report by the ministry, the government's leading co-ordinator of industrial demand and supply, did not consider the marked drop in materials inventory as a very good sign, because most consumer goods produced have ended up in "another warehouse—an opinion echoed by the State Council's Production Office.

Earlier this week, the Production Office issued a circular to State-owned enterprises to immediately stop producing unmarketable consumer goods, whose stockpile during the first quarter this year, increased by a hefty 15.42 billion yuan (\$2.81 billion).

Still, it is generally believed China's economy has emerged from the doldrums and is now entering a period of faster development.

Officials at the Ministry of Materials and Equipment said from January to March, the country's gross investment in fixed assets surged by 36.6 percent compared with the same period last year, and its aggregate industrial output soared by 18 percent—much quicker than the originally-planned growth rate of six percent.

But ministry officials and analysts denied this was a prelude to renewed "economic over-heating," on the grounds that national consumption remains lukewarm and market prices are stable, while the government is assured of increasing domestic revenue plus a favourable foreign trade balance.

"Provided the country does not loosen its grip on macroeconomic control and restrain the scale of bank credit within the planned 63 billion yuan (\$11.454 billion) in the first six months this year, while speeding up industrial restructuring and overall economic reform, there will be no danger of inflation," they said.

In 1987 and 1988 when the country's economy was over-heated, a shortage of raw materials became so acute the government had to spend most of its foreign exchange to buy them on the world market.

During the following three years, the government launched an "austerity" programme to cool the economy and stem runaway inflation.

Economists Express Support for Deng Speeches

HK0405100892 Beijing ZHONGGUO XINWEN SHE
in Chinese 0712 GMT 22 Apr 92

[Text] Beijing, 22 Apr (ZHONGGUO XINWEN SHE)—Yesterday, at the Central Party School in Beijing, a number of experts and scholars held a forum, during which they stated their opinions on Deng Xiaoping's speeches made during his inspection of the south and on the spirit of Central Committee Political Bureau sessions. Members in the theoretical circle, such as Gong Yuzhi, Liu Suinian, Xing Benshi, Su Xing, Han Shuying, Wu Shuqing, Wu Jinglian, and Li Yining, attended the meeting.

Attendees believed that Deng Xiaoping's speeches represent a restudy of the emancipation of minds, a re-education in the basic lines, a remobilization for reform and opening up, and a further push for expediting construction.

Experts at the meeting said that, since 1984, Deng Xiaoping has made repeated explications on the idea that reform is a revolution, and that we have never seriously studied or propagated this idea. We pursue reform to precipitate significant, extensive, and profound changes in society; that is, to fundamentally change the economic structure that is impeding the productive forces' development and build a socialist economic structure with Chinese characteristics and is full of vitality and dynamism.

Members from the theoretical circle at the meeting believed that for a long time we have been perplexed by the problem of what socialism is exactly. Basic institutions and operating mechanisms are the two aspects of production relations. And market, planning and shareholding systems can serve the capitalist or socialist system.

Experts believed that Deng Xiaoping's full and complete statement on the CPC basic line—"one center, two basic points"—shows that while Deng Xiaoping stresses economic construction as the center, he has consistently been concerned with the struggle of opposing bourgeois liberalization and peaceful evolution. In China, "leftism" is deep-rooted and, like rightism, can bury socialism. Deng Xiaoping's reminder to the entire party to guard against rightism but mainly against leftism, was timely.

On expediting economic development rate, attendees believed that expediting the economic development rate does not mean a blind and rash advance or an indiscriminate demand for the same development pace; but the promotion of rapid economic development based on different local conditions, policies tailored to local conditions, and arduous pursuit in a down-to-earth manner. We must use the current favorable opportunity and increase the pace of building a new system, and boldly experiment and explore. If we debate endlessly and hesitate and remain indecisive, we will lose the opportunity and achieve nothing. At present, China's macroeconomic environment is stable. This year, it is entirely possible to increase the development speed without leading to great economic fluctuations.

Measures To Cope With Third Import Boom

HK0205075692 Hong Kong CHING-CHI TAO-PAO
in Chinese No 15, 20 Apr 92 p 25

["China Economic News" article: "Measures To Cope With the Import Boom Spelled Out"]

[Text] To cope with the third import boom, relevant authorities have laid down the following six measures:

- Lowering the interest rate on domestic loans and increasing loans for technical transformation;
- Spending billions of U.S. dollars from last year's state foreign exchange balance on the import of a batch of large project packages;
- Reducing the tariffs on 225 commodities and abolishing the import regulatory tax in the near future;
- Simplifying import procedures and omitting examination and approval processes for the importation of technologies and equipment required in the technical transformation in enterprises with self-raised funds and in line with the state industrial policy;
- Lifting import permit controls on 16 commodities in the near future and narrowing the scope of commodities under import permit control by two thirds in two or three years;
- Taking a series of steps to expand opening up and accelerating legislation in such areas as protection of intellectual property to facilitate the broadening of imports.

Measures for Preventing Duplicate Construction

HK0205075392 Hong Kong CHING-CHI TAO-PAO
in Chinese No 15, 20 Apr 92 p 24

["China Economic News" article: "Measures Adopted To Prevent Duplicate Construction"]

[Text] To prevent irrational duplicate construction in the future, the state recently adopted some countermeasures:

1. For products such as cotton spinning, cigarettes, first-level processing of crude oil, plastic sheeting for

agricultural use, and color television sets, if current production capacity has apparently exceeded market demands or if the supply of raw and semifinished materials is inadequate, examination and approval of applications for such construction projects should be temporarily suspended.

2. For products such as ethylene and polyethylene, which should be produced on a fairly large scale and which are capital intensive, if there is a market demand for them, making it necessary to appropriately increase production capacity, it is necessary to carry out construction in strict accordance with the focuses and construction steps defined in the Eighth Five-Year Plan and this scope should never be broken through.

3. Regarding such products as limousines on which the State Council has made an explicit provision, prohibiting such projects from being developed indiscriminately, all localities must strictly abide by it.

4. Step up trade planning and market management. In light of market demand forecasts and possible construction conditions, all departments should make planning for all trade under their jurisdiction. The plans will be balanced and coordinated by the state department in charge of comprehensive management.

More Donations Flow In for Three Gorges Project

OW0305095092 Beijing XINHUA in English
0855 GMT 3 May 92

[Text] Beijing, May 3 (XINHUA)—Some 380,000 yuan have been donated to the newly established Three Gorges Project Donation Office and other departments concerning the project as China's legislature approved the construction of the massive hydroelectric project just a month ago.

Yan Xiuru, an official in the office, said people are more enthusiastic in donating for the project since its approval despite the government's adopted policy of neither seeking nor turning down donations.

An average of 15 donations amounting 2,000 yuan pour to the office every day. The amount had stayed at 500 yuan before the project was approved.

On April 30, a retired worker from the Beijing Second Printing and Dyeing Mill, paid his third visit to the ongoing exhibition of the dam in the Beijing-based military museum and handed in a savings account of 10,000 yuan, the largest donation from an individual.

The Fifth Session of the Seventh National People's Congress approved the State Council's proposal to embark on the multi-billion yuan project and start the construction on the appropriate date when China's economic conditions permit.

Energy Ministry Outlines Plan for Next 5-10 Years

HK0205075692 Hong Kong CHING-CHI TAO-PAO
in Chinese No 15, 20 Apr 92 p 25

["China Economic News" article: "Ministry of Energy Outlines Plans, Concrete Measures To Develop Energy in Next Five to 10 Years"]

[Text] The Ministry of Energy has decided on the following plans and concrete measures for the development of energy in China:

1. Give full play to China's advantage in coal resources and speed up exploitation of coal; focus on exploiting the coal in Shanxi, Shaanxi, and the western part of Inner Mongolia; strive to increase the annual output of raw coal by some 4 million metric tons on average each year in the next 10 years; strive to boost the rate of mechanization of coal mines to at least 80 percent by 2000;

2. Speed up the construction of hydropower stations, especially large and medium ones on the upper reaches of Huang He, the trunk stream and tributaries of Chang Jiang, Hongshui He, Wu Jiang, and Lancang Jiang; strive to increase the installed capacity of large and medium hydropower stations by 10 million kilowatts during the period of the Eighth Five-Year Plan;

3. Make active efforts to develop power stations near coal mines; transmit electricity instead of transporting coal, reduce the pressure on transportation; in building thermal power plants in the next few years, mainly use 30,000-kilowatt and 60,000-kilowatt large generating sets with subcritical or supercritical indexes;

4. Strengthen the prospecting and exploitation of oil and natural gas; focus on increasing the reserves and output; strengthen oil prospecting in Xinjiang; and increase the output of crude oil by 2 million metric tons each year during the period of the Eighth Five-Year Plan;

5. Attach importance to the development of energy undertakings and the utilization of electricity in rural areas; work actively to expand coverage of electric supply networks and construct medium and small hydropower stations in rural areas; develop wind power and solar power stations in remote areas; and gradually provide power to the 32 counties and 190 million people that are currently unable to gain access to electricity.

5,000 High-Tech Enterprises Planned in Four Years

HK0205075692 Hong Kong CHING-CHI TAO-PAO
in Chinese No 15, 20 Apr 92 p 25

["China Economic News" article: "State Science and Technology Commission Official Reveals Plan To Foster 5,000 High-Technology Enterprises in Four Years' Time"]

[Text] A leading figure of the State Science and Technology Commission [SSTC] revealed the other day that

China will foster 5,000 high- and new-technology enterprises in four years' time. There will be over 50 enterprises or enterprise groups with an annual output value of at least 100 million yuan each year.

So far, China has built 27 high- and new-technology industrial development zones. By the end of 1991, a total of 3.642 billion yuan of construction fund had been put in 26 development zones.

In order to run the high- and new-technology industrial development zones well, in the coming four years, on the basis of doing a good job in the existing 27 high- and new-technology industrial development zones, efforts will be made to create conditions for setting up a number of new high- and new-technology industrial development zones at the state level. By 1995, the number of people working in all these development zones will reach 300,000. In order to improve their quality, the SSTC will also train 20,000 specialized personnel in various categories in the coming four years. Among them, 1,000 will be trained outside the borders. The development zones should boldly explore and experiment in relation mainly to such issues as property system, distribution system, and the integration of planned economy with market regulation.

The SSTC pointed out: In order to enable those working in China's high- and new-technology industrial development zones to enter the international market, all localities should make it easy for these people to go on multiple trips abroad and actively help the enterprises process the applications for multiple trips abroad.

Some concerned personalities believe the above measures of the SSTC indicate that China will apply an even more favorable policy toward high- and new-technology enterprises.

State To Step Up Science, Technology Imports
*HK0205075492 Hong Kong CHING-CHI TAO-PAO
in Chinese No 15 20 Apr 92 p 24*

["China Economic News" article: "PRC To Increase Funds for Science, Technology Imports"]

[Text] In a bid to quicken the process of industrial modernization, the state will use foreign exchange to considerably increase science and technology imports.

This year the state will use foreign exchange to step up scientific, technological, and financial capital construction in major industries. Energy, telecommunications, petroleum, petrochemical products, steel products, and nonferrous metal have been listed as major departments for such imports.

During the Eighth Five-Year Plan, the state will import \$350 billion worth of raw and semifinished materials and advanced science and technology as well as equipment. The amount equals the total imports in the previous 10 years.

Domestic Benefits Foreseen in GATT Membership

*HK0205025192 Beijing LIAOWANG in Chinese No 11,
16 Mar 92 p 24*

[Article by Gu Honghong (7357 3163 3163): "Impact of Resumption of China's GATT Membership as a Signatory State on the Economy and Enterprises"]

[Text] Not long ago, Premier Li Peng sent letters to government heads of GATT signatory states reiterating China's determination to actively participate in the multilateral trade system and stating that by joining GATT, China will enjoy rights and shoulder obligations as well. At present, relevant sides are actively working on procedures aimed at restoring China's status as a GATT signatory state.

People in economic and financial circles maintain that if we compare the home market to a river or lake, the international market would be like a boundless vast ocean. By restoring China's GATT signatory state status, it will subject China's enterprises, which are used to slight river or lake currents, to the great, terrifying waves in the vast sea. This is going to be a new challenge as well as a new opportunity, and will have a great influence on the domestic economy and enterprises.

One aspect of the effect is that the resumption of China's GATT signatory status will be good for the establishment of a comparatively stable new order in the commodity economy. One of the objectives in China's implementation of reform and opening up is to establish a planned commodity economic system. One of the basic conditions for such a system is the improvement of commodity market mechanisms. Here the commodity market of course embraces the international market. The restoration of China's status as a signatory state will link its economy more closely with the international market. Then China's economy will become an organic component of the world's commodity market; the mechanisms of the commodity economic will fully develop; and on this foundation, China will form a comparatively stable commodity economic order.

Another aspect is that GATT membership will be good for the formation of a comparatively stable and normal commodity price system, thus enabling China to use price levers to readjust its industrial structure and product mix. In the case of auto production, the price of an ordinary sedan abroad is only several thousand U.S. dollars, while at home, its price, which is continually rising, is several times higher than that in the international market. Under this price, state enterprises can simply neglect the economies of scale and returns, and can profit even if they produce 100 sedans annually. Therefore, China, whose auto industry is not developed, has the largest number of auto plants in the world; while the total output of these numerous auto plants does not reach half that produced by one foreign auto company. In order to reverse this situation, the state has used a variety of controlling methods; such as examination, approval, and designated production; but has only

reaped very little result. After the restoration of signatory state status, China will have to compete in the international auto market, thus forcing its auto industry to move toward economies of scale.

The third aspect is that GATT membership would create favorable conditions for the marketing of China's products in the international market. When China becomes a signatory state, over 100 other GATT signatory states (parties) will unconditionally grant most-favored-nation [MFN] trade status to China, and China will once and for all resolve the problems existing in multilateral trade relations. This can prevent changes in the trade environment caused by non-economic factors. Moreover, China can use GATT's multilateral talks to resolve trade disputes with other countries, instead of resolving them by referring to the laws of a particular country as it does now. According to statistics, since China has not yet obtained multilateral MFN status, 90 percent of its exports are confined to the markets of North America, Hong Kong, Macao, and Europe; while only about 10 percent of its exports are sold to over 100 countries and regions. The restoration of GATT signatory state status will help China's foreign trade develop toward a diversified and multilateral pattern.

The fourth aspect is that it is good for consumers at home to choose a wider range of quality and cheap commodities. The restoration of GATT signatory status will mean that over 100 signatory states will unconditionally grant China MFN status, and that China will do the same for these countries. For commodity imports from these countries, China will be almost unable to limit their importation, except by means of tariffs (which have decreased considerably). All sorts of "foreign products" will considerably increase in the domestic market, and domestic consumers will have better choices of the commodities they like.

The fifth aspect is that GATT membership is good for the establishment of competitive mechanisms; it will compel enterprises to organize operations and production activities in accordance with international standards, market demand, and operational and sales practices; promote technical progress; thus enhancing the overall quality of enterprises. Enterprises that do not consider production and operational principles in light of international standards and international market prices, and that do not make efforts to promote technological progress and increasing returns, will be unable to compete in the market.

Of course, after the restoration of signatory state status, China, whose modern industry has only been developing for some 100 years, will, in the absence of the majority of protective conditions, directly participate in intense market competition with the modern industrial powers, which have developed their modern industry for several hundred years. With regard to high value-added and highly processed new industries—in particular, the computer, automobile, and telecommunications equipment industries—which China has just started developing,

China cannot compete with other countries in terms of technology, quality, and production scale. This will inevitably put greater demands on China's enterprises. Given that the prices of imported products are generally higher than those for domestic products, numerous enterprises in China will still reap little profits or incur losses. If product prices and tariffs are readjusted, and if the domestic market is opened wide to imported goods, it will undoubtedly put these enterprises into a more difficult position. The fact that the same rules apply regardless of the different starting points will be the situation that China's enterprises will have to face in the future.

The Chinese Government has already fully considered these risks when applying for restoration of GATT signatory status, and will reduce the risks under possible circumstances. Basically, however, enterprises will have to depend on themselves to withstand the impact.

In short, from the long-term perspective, restoration of GATT signatory status will play an active role in promoting China's economic development. It will really be an important opportunity for China to enter the international economic cycle and international division of labor. Seizing the opportunity and being ready for the challenge should be the attitude of Chinese entrepreneurial circles.

Special Economic Zones Plan Further Growth

HK0305054692 *Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT)* in English 3-9 May 1992
p 1

[By Qu Yingpu: "Special Economic Zones Push Envelope of Reform"]

[Text] China's five special economic zones [SEZ's] are developing strategies they hope will take them into a more mature phase of stable, but rapid, economic growth.

The zones, which have led China's export development for the last 10 years, are taking a cue from some top Chinese officials to push economic reform further.

For instance, the zones—Shenzhen, Hainan, Zhuhai, Shantou and Xiamen—are thinking about such changes as including more land under the umbrella of preferential treatment, revamping their real estate policies and allowing foreign banks more freedom to operate.

"The SEZs have realized they must improve their structure for steady development," said Li Haiyan, an official with the Special Economic Zone Office under the State Council.

China's five SEZs have grown from under-developed villages and towns to where they produced more than 50 billion yuan (\$9 billion) of goods last year. Shenzhen accounted for the bulk of that: 27 billion yuan (\$4.9 billion).

Except Hainan, foreign-funded enterprises accounted for more than half of the output.

But Li sounded a warning: Further development in the zones will be difficult without changes to improve the

availability of capital, increase power supplies, loosen trade restrictions and make raw materials and advanced technology more readily available.

Shenzhen

Shenzhen, China's first and most powerful SEZ, has planned a massive capital construction programme and hopes to expand the area of its SEZ to including neighbouring Bao'an County, which would increase its size six times.

Shenzhen also is asking for approval from the central government to turn itself into a special tariff area, which would allow more companies to sell stocks publicly and more foreign banks to operate in the city.

Shenzhen has been a leader in establishing free trade zones and stock markets in China.

The city officially opened a securities market last year. The market listed 13 A share stocks, available to Chinese, and five B share stocks for foreigners. The companies were capitalized at 24 billion yuan (\$4.4 billion).

Hainan

Hainan, the largest SEZ in size and the youngest province in China, has proposed turning all of Hainan Island into a huge special tariff zone.

The proposal, announced by Governor Liu Jianfeng last week, targets Hainan as a special development zone independent of the national customs and tariff systems.

Zhuhai

In Zhuhai, which wants to expand to cover the 400-square-kilometre western district, officials are handing out big bonuses—up to tens of thousands of yuan (10,000 yuan equals \$1,818)—to talented inventors and technicians. Their goal is to encourage a shift from labour-intensive industries to high-tech industries.

Shantou

Shantou officials are striving to develop a better real estate market.

Statistics show that 51 foreign-funded real estate development enterprises have registered in the city and 54 such companies have applied to lease land.

In the last four months, Shantou, smallest of the five SEZs, approved 15 projects for building workshops and real estate development with a total investment of \$81.4 million.

Xiamen

Xiamen has announced its strategy to attract more investment from across the Taiwan Strait.

Xiamen is speeding up capital construction on the 61.23-square-kilometre Haicang Island.

The island is anxious to see Taiwan's plastic tycoon, Wang Yong Ching, who has promised to invest roughly \$7 billion to build a plastic processing district on the island.

Earlier this month, Wang again said the move is a "must" for his business. He said he has finished investment feasibility studies on the project and is waiting for approval from the Taiwan authorities.

'Steady Growth' in Domestic Computer Demand

HK0205075592 Hong Kong CHING-CHI TAO-PAO
in Chinese No 15, 20 Apr 92 p 24

["China Economic News" article: "Steady Growth in Domestic Demand for Computers"]

[Text] With electronics information technology constantly penetrating all trades and professions in the national economy, the domestic demand for computers tends to grow steadily.

With electronic products of the investment type to register a substantial growth in the Eighth Five-Year Plan, the computer industry has gained the attention and major support of relevant state departments. During this period, the state will set up three to five backbone enterprises with an annual production and sales capacity of 100,000 microcomputers. This, as well as the scope of existing enterprises, is expected to form an annual production and sales capacity of 1 million minicomputers. With the growth of the information market, network system, and database, the share of computers in the market will grow substantially over the Eighth Five-Year Plan.

Moreover, demand for software products, hardware, printers, and terminals will also increase continuously. Of these, total demand for applied software will progressively increase by over 100,000 pieces a year.

Shanghai Planning Direct Flights to Taiwan

HK0305060992 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 3-9 May 92 p 1

[By staff reporter Zhang Tingting: "Direct Flight to Taiwan; from the "Shanghai Focus" Section]

[Text] Local authorities here are quietly preparing for the possible opening of a direct air route between Shanghai and Taiwan this year.

"Nobody can tell the exact date, but I'd say it's very possible to open a direct route this year because things seem to be speeding up," said a reliable source who preferred to remain anonymous.

A delegation of Taiwan airline chiefs visited Shanghai last summer, accompanied by officials from the municipal and central governments. They met with their local counterparts and researched the conditions for a direct route.

Early this year, officials from the Taiwan Office of the State Council, China's highest authorities in mainland-Taiwan affairs, came down to Shanghai on an inspection tour, urging local officials to speed up their preparations.

The Shanghai-based China Eastern Airlines (MU) is looking to the Taiwan market as its deputy director of planning, Jia Tingcai, closely follows media reports for any possible change of attitude on Taiwan's part.

"We're ready. Once the Taiwan authorities let us go, we'll go," he says.

But Shanghai Airlines (SH), the only local company in the city, also wants to bet the first to fly to Taiwan.

"Our non-government image is most appropriate to start a direct route," said Zhu Changbao, SH's deputy general manager. SH has recently leased five Boeing 757 to expand its current fleet of three.

But everything was in low profile. No press. No coverage.

However, the intense competition is not confined to those two carriers. Shanghai has to fight two rivals—Beijing and Fujian—to successfully become the first destination.

Many foreign diplomats here vote for Shanghai. One of them, who had lived in Taiwan and Hong Kong before his posting to Shanghai, says, "Shanghai is the best choice for many reasons, mainly for its image overseas."

Thousands of Taiwanese have come to Shanghai via Hong Kong since the Taiwan authorities, in 1987, lifted the ban on visiting relatives on the mainland.

Last year saw 159 mainland men and women married to Taiwanese. As well, Taiwan ranked fourth in terms of overseas investment in Shanghai, after Hong Kong, America and Japan.

Tourism officials are more than eager to see a direct route over the Taiwan Strait. They are afraid that the current Shanghai-Hong Kong route cannot cope with the flood of Taiwan tourists.

Last year alone the number of tourists from Taiwan exceeded 210,000.

February figures, the latest available, show that the influx of Taiwan tourists increased by 21 percent to 15,200, invigorating a usually slack business period.

Sources from the airlines say there are still some technical issues to deal with once the Taiwan side agrees to start direct transportation. The issues include financial settlements, the number of flights and the choice of airport (Taiwan has two airports), among others.

Telephone Industry Continues To Expand

OW0205083292 Beijing XINHUA in English
0742 GMT 2 May 92

[Text] Beijing, May 2 (XINHUA)—By the end of last year, 14.5 million telephones in China were in use with a faster increase of private phone lines, according to report of "MARKET NEWS".

The paper said that the number of residential telephones accounted for 30 percent of the total in urban areas, and the ratio is still expanding.

In recent years, the telephone is becoming an important item on the planned buying list of many households, along with the video-recorder and air conditioner.

The paper said that there are still some problems in the telephone industry such as insufficient service and using public funds to install private phone lines.

The telephone information service in many cities currently provides mainly economic information. They should be expanded to cover more areas, according to the paper.

Some new buildings have not lain special pipes for telephone lines which also created problems for telephone installation.

The paper urged departments concerned to pay more attention to construction of basic facilities and communication line.

East Region

Anhui People's Congress Makes Personnel Changes

Appointment, Removal Reported

OW0105122392 Hefei ANHUI RIBAO in Chinese
25 Apr 92 p 1

["Namelist of Appointments and Removals of the Anhui Provincial People's Congress Standing Committee"]

[Text] Namelist of Appointments and Removals of the Anhui Provincial People's Congress Standing Committee

(Adopted by the 30th Session of the Seventh Anhui Provincial People's Congress Standing Committee on 24 April 1992)

1. Appointment: Liu Daonong [0491 6670 3426] as director of the provincial light industry department.
2. Removal: Cui Zongyun from the post of director of the provincial light industry department.

Second Removal Reported

OW0105122792 Hefei ANHUI RIBAO in Chinese
25 Apr 92 p 1

["Namelist of Removal of the Anhui Provincial People's Congress Standing Committee"]

[Text] Namelist of Removal of the Anhui Provincial People's Congress Standing Committee

(Adopted by the 30th Session of the Seventh Anhui Provincial People's Congress Standing Committee on 24 April 1992)

Wang Xiufang is removed from the membership of the Legislative Affairs Committee of the Provincial People's Congress Standing Committee.

Committee Member Resigns

OW0105122892 Hefei ANHUI RIBAO in Chinese
25 Apr 92 p 1

["Decision on Accepting Wang Xiufang's Resignation From the Membership of the Anhui Provincial People's Congress Standing Committee"]

[Text] Decision on accepting Wang Xiufang's resignation from the membership of the Anhui Provincial People's Congress Standing Committee

(Adopted by the 30th Session of the Seventh Anhui Provincial People's Congress Standing Committee on 24 April 1992)

Standing Committee member Wang Xiufang has been transferred to work for a provincial government department. In accordance with Article 22 of the Organic Law of the Local People's Congresses and Local People's Governments at Various Levels of the People's Republic of China, the 30th Session of the Seventh Anhui Provincial People's Congress Standing Committee has decided

to accept Wang Xiufang's resignation from the membership of the Seventh Anhui Provincial People's Congress Standing Committee and report her resignation to the provincial people's congress for the record.

Paper Reports on Foreign Investment in Jiangsu

OW0405112492 Beijing XINHUA in English
1051 GMT 4 May 92

[Text] Beijing, May 4 (XINHUA)—Rural enterprises in east China's Jiangsu Province have achieved great progress in recent years, according to the Beijing-based paper, "CHINA RURAL ENTERPRISE NEWS."

The total industrial output value of the rural enterprises in Jiangsu accounted for 22 percent of the nation's total rural industrial output value last year, the paper reported.

By the end of 1991, the province had 4,500 rural export-oriented enterprises and 1,000 foreign-funded rural enterprises involving a total investment of 400 million U.S. dollars.

The total export volume of the rural enterprises had reached 15 billion yuan by the end of last year.

During recent trade talks held in Beijing the province signed agreements of intent for 12 projects with a total investment of 6.4 million U.S. dollars, and using a foreign investment of 1.8 million U.S. dollars.

Businessmen from the United States, Germany, Finland and South Korea attended the trade talks.

Shandong Province Makes Future Work Arrangements

SK0105122192 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 30 Apr 92

[Text] On the morning of 30 April, Zhao Zhihao, deputy secretary of the provincial party committee and governor of the province, sponsored a plenum of the provincial people's government. The provincial economic and trade commission, the provincial first light industrial department, the provincial industry and commerce bureau, the provincial land management bureau, the provincial international economic and technical cooperation company, and the province's academy of sciences all made reports at the plenum on implementing the spirit of the provincial conference on exchanging the experience gained in deepening the enterprise reform and the spirit of the provincial work conference of opening.

At the plenum, Li Chunting, deputy secretary of the provincial party committee and vice governor of the province, delivered a speech. He stated that the provincial experience-exchange conference on deepening the enterprise reform and the provincial work conference on opening up, which were successively held by the province during the March-April period, represent the two important steps taken by the provincial party committee and the provincial people's government for implementing the central directives and the important speeches of Comrade Deng Xiaoping; and are very significant for promoting the province's program of

reform and opening up as well as economic development. Central tasks undertaken by various departments at all levels throughout the province for the current or future periods are to implement in an overall way the spirit of the two conferences and to grasp the implementation of the conferences' spirit from policy to policy, from measure to measure, and from aspect to aspect.

Li Chunting stressed in his speech that we should persistently put primary emphasis on emancipating minds. In emancipating minds in the next period, first, we should continuously do a good job in clarifying whether we are following the capitalist or socialist road. In line with the standard of making everything favorable for developing the socialist productive forces, upgrading the level of the people's livelihood, and enhancing the comprehensive power of socialist countries, we should boldly create something new, pioneer the roads of advancement, take risks, and engage in experiments. We should closely integrate the spirit of making progress with the scientific attitude of seeking truth from facts to prevent the practice of following something blindly, acting blindly, and indulging in formalism. Second, we should further unify our thinking in accelerating economic development, seize the opportunity to achieve self-development, and uphold the key of boosting the economy. Li Chunting, in his speech, urged the provincial level departments to set examples in this regard, to truly engage in the work, to do practical deeds, and to take the lead in successfully implementing the spirit of the two conferences. Relevant departments must implement in a down-to-earth manner and within the shortest time the policies and measures formulated by the provincial party committee and the provincial people's government on deepening the reform and expanding the opening. Specific policies, measures, and methods formulated by various departments should only be favorable for promoting the implementation of relevant policies and regulations of the provincial party committee and the provincial people's government. By no means should we allow these departments to retract the implementation. Some measures formulated by various cities and prefectures to accelerate the reform and opening should be actively supported by the provincial level departments.

Li Chunting stated in his speech that funds are the most important factor for determining whether we can make smooth progress in conducting reform, opening to the outside world, and developing the economy. Banks at all levels should fully and satisfactorily utilize the credit funds, enliven the credit cooperatives in both urban and rural areas, and support enterprises to own funds. Efforts should be made to fully tap the potential of social funds, to enlarge the issuance of bonds and the enterprises' internal stocks, and particularly to boldly utilize foreign funds and use the funds introduced through multiple channels simultaneously.

Li Chunting stated in his speech that great attention should be paid to training, discovering, and introducing talented personnel. At present, we should pay attention to accelerating the training of personnel proficient in the

export-oriented economy and to formulating realistic, effective award policies as soon as possible. Those who have made prominent contributions to overcoming the scientific and technological difficulties, achieving technical development, conducting export sales, and introducing funds and talented personnel should be commended by setting up rational rates in line with their economic results. Efforts should also be made to formulate the preferential policies of introducing foreign talented personnel.

Li Chunting stressed in his speech that the second quarter is a crucial period for successfully conducting the economic work this year. We should achieve success in the work from month to month, should not leave debts, should base ourselves on combating disasters to reap a bumper harvest, should regard as an emphasis the work of combating drought to protect wheat fields and spring sowing, and realistically do a good job in well grasping the current agricultural production. A good job should also be done in successfully and carefully organizing industrial production, fulfilling the first-half plans as early as possible, and striving to surpass the first-half plans as much as possible.

During the plenum of the provincial people's government, Zhao Zhihao delivered a summary speech in which he stressed that the party, the government, the armed forces, civilians, and various industries and trades should closely follow one center and two basic points; uphold the principle of preventing economic crimes while conducting reform and opening to the outside world; and improve the province's programs of conducting reform, opening to the outside world, and developing the economy to a new level. He urged the provincial level departments to realistically improve their work style and leadership at all levels to persistently remain sober-minded, to approach achievements and problems by adopting an attitude of dividing one into two, to be good at seizing and handling proficiently the major contradictions, to actively mobilize and rely on the masses, to enhance their confidence, and to conduct their work in a down-to-earth manner so as to ensure the fulfillment of targets in the annual work.

Report on Shanghai Government Report Resolution

*OW0205133092 Shanghai WEN HUI BAO in Chinese
29 Apr 92 p 2*

["Report on the Resolution on the Government Work Report Adopted by the Fifth Session of the Ninth Shanghai Municipal People's Congress on 28 April 1992"—WEN HUI BAO headline]

[Text] The Fifth Session of the Ninth Shanghai Municipal People's Congress earnestly deliberated the "Government Work Report" delivered by Mayor Huang Ju on behalf of the municipal people's government. Deputies to the session noted: The year 1991 was full of vigor, with Shanghai making new progress in the program of reform, openness, and economic construction. Led by the party Central Committee, the State Council, and the

Shanghai Municipal CPC Committee, people throughout the municipality upheld the party's basic line, worked in unity, and accomplished all tasks laid down by the Fourth Session of the Ninth Shanghai Municipal People's Congress for national economic and social development. Consequently, the 10-Year Program and the "Eighth Five-Year Plan" got off to a good start. The deputies expressed satisfaction with the work of the municipal people's government in the past year. They maintained that the report realistically reviewed the work of the past year and outlined feasible tasks and measures for the future. The session decided to approve the report.

The deputies noted: In the historic process of rejuvenating Shanghai, we are currently going through an important period of development in our drive for reform, openness, and economic construction. Comrade Deng Xiaoping's important expositions on building socialism with Chinese characteristics have pointed the way for Shanghai's rejuvenation and development. Proceeding from the strategic vantage point of developing the national economy and consolidating the socialist system, leaders of the party Central Committee and the State Council, as well as revolutionaries of the older generation, have urged Shanghai to spearhead the reform and opening drive nationwide in its gradual move to become one of the economic, financial, and trading centers in the Far East. This appeal has greatly inspired the people of Shanghai. We must improve our awareness about implementing the party's basic line, keep a firm grip on the central task of economic construction, adhere to the four cardinal principles, capitalize on current favorable opportunities, step up reform, and strive to open wider to the outside world. It is necessary to guard against rightism, but the thrust of vigilance should be directed against "leftism." It is essential to proceed from reality, to further emancipate the mind, to take bolder and faster actions, and to show courage in initiating practical measures, implementing innovative actions, and undertaking risks. It is necessary to achieve new results in Shanghai's economic construction and social development by making full use of the municipality's human, scientific and technological, and managerial resources and by further liberating and developing its social productive forces.

The deputies said: Governments at all levels must earnestly implement all tasks outlined in the "Government Work Report" approved by this session. They must accelerate the drive to open up and develop Pudong, improve development plans, move swiftly to institute a management system in the New Pudong District, quicken the construction of infrastructural projects, and improve all aspects of the investment environment. They must go all out to publicize and make good use of various policies, make new progress in opening up and developing Pudong, promote reform and openness throughout the municipality, and foster economic cooperation and exchanges both domestically and internationally. They must deepen enterprise reform based on

the conversion of the operational mechanisms of state-run large and medium-sized enterprises; modify the government's administrative functions; and implement extensive supplementary reform in the social security, financial, pricing, and housing systems as a means of gradually introducing a dynamic socialist economic system and of promoting the development of a socialist commodity economy. They must rely on scientific and technological progress in substantially readjusting the industrial structure, improving economic efficiency, and fueling sustained, stable, and coordinated development of the national economy. They should devote more attention and efforts to agriculture and other fields of work in the countryside, speed up the development of a suburban-type economy in accordance with the need for integrating urban and rural areas, and raise the level of agricultural modernization. They should take good care of people by continuing to launch practical projects of general public concern in three major areas—communications, housing, and supply of nonstaple foodstuffs. They should resolutely implement effective measures, fully inspire the enthusiasm of people in all sectors, and expedite the reconstruction of hazardous houses, shacks, and shanties in a reformist spirit. They must actively develop educational, scientific and technological, public health, cultural, and sports programs; further strengthen socialist spiritual civilization; consolidate socialist democracy and the socialist legal system; and improve overall public order.

The deputies noted emphatically: Governments at all levels must improve themselves as a way of adapting to the new situation of reform and openness. The municipal government and various departments should take the lead in emancipating their minds, modifying their concepts and functions, and changing their work style. They should conscientiously solve new problems that surface in the course of rejuvenating and developing Shanghai, work creatively to open up new prospects, accelerate reform of the government apparatus, speed up the transformation of government functions, separate government functions from enterprise management, streamline administration, delegate power, and bring out the role of districts and counties. Governments at all levels should make their policymaking process more scientific and democratic, perform their duties diligently and honestly, guard against formalism, overcome bureaucratism, vigorously promote a down-to-earth work style, make concrete efforts, and improve their management and work efficiency.

The deputies called on people throughout the municipality to work in high spirits, to make concerted efforts, to wage arduous struggles, to keep forging ahead, and to usher in the 14th National Party Congress with new achievements in reform, openness, and construction under the leadership of the party Central Committee, the State Council, and the Shanghai Municipal CPC Committee.

Zhejiang CPC Committee Holds Plenary Session

OW3004210292 Hangzhou Zhejiang People's Radio
Network in Mandarin 1000 GMT 30 Apr 92

[From the "Provincial News Hookup" program]

[Text] The Seventh Plenary (Enlarged) Session of the Eighth Zhejiang Provincial CPC Committee was held in Hangzhou 29-30 April. The agenda of the session includes: Considering and finalizing the preliminary namelist of candidates for Zhejiang's deputies to the CPC's 14th National Congress, deliberating and adopting the Resolution on Convening the Meeting of Zhejiang CPC deputies, and discussing the provincial party committee's opinions on accelerating Zhejiang's pace of reform and opening up to the outside world. On behalf of the Standing Committee of the Zhejiang Provincial CPC Committee, Secretary Li Zemin of the provincial party committee spoke at the session on issues concerning finalizing the preliminary namelist of candidates for Zhejiang's deputies to the CPC's 14th National Congress, holding the meeting of Zhejiang CPC deputies, and on the opinions concerning further accelerating Zhejiang's pace of reform, opening up to the outside world, and economic development. Zhejiang Governor Ge Hongsheng, deputy secretary of the provincial party committee, delivered a speech entitled "Seize the Opportunity Time, Accelerate Reform and Opening Up, and Strive for Quadrupling the Province's Total Output of Goods and Services Six Years Ahead of Schedule."

The session held that to accelerate Zhejiang's pace of reform and opening up to the outside world, it is necessary to:

1. Have a sense of urgency. We should seize the present opportune time to accelerate economic development and boost it to a new level. Present conditions at home and abroad are quite favorable. As a coastal province with an economy that is developed to some degree, Zhejiang's growth rate should be higher than the country's average rate. Zhejiang's economic development was boosted to a new level during the 1980's and should further progress in the 1990's. It should boost its economic growth in the course of development and develop in the course of boosting its economy. When we stress faster growth, we are not encouraging impractical high speed but rather the need to rely on scientific progress, improve the quality of the work force, attach importance to readjusting and optimizing the economic structure, develop markets, pay attention to changing enterprises' operational mechanisms, and develop an export-oriented economy. In short, we are stressing quality, vitality, sustained power, and efficiency. Comrades to the session maintained that it is necessary to heighten our understanding of Zhejiang's strategy for developing the economy and to readjust the strategies and targets set in the province's Eighth Five-Year Plan for economic development, so that Zhejiang's total output value of goods and services will quadruple six years ahead of schedule.

2. Emancipate our minds and dare to break new paths, try new methods, and take the lead in doing things. To accelerate the pace of reform and opening up to the outside world, we must smash the trap of leftist deviation and shake off the rules and regulations fettering the growth of productive forces. As long as an idea fits in with the three favorable conditions, we should implement it, hew out a path, and proceed boldly from the actual situation. Leading cadres at all levels should foster such courage, resourcefulness, and the spirit of seeking truth from facts and create a society dominated by these characteristics. Leading cadres at all levels should be enthusiastic, sober-minded, bold, and meticulous. They cannot wait and let a golden opportunity slip by. We straighten out our thinking to see where we lag behind so we can sum up experiences and clear up our thinking. Do not argue; we should concentrate our efforts on the future development.

3. Clear up our thinking, broaden our views, and consider the overall arrangement of Zhejiang's opening up to the outside world, which will go in line with the economic development of the whole world and the entire country. Zhejiang's economic development should be geared to the entire country and the world. In view of the central authorities' resolution that has decided to promote the development at the Chang Jiang delta and areas along the Chang Jiang by focusing on Pudong's development and opening up, the session's overall arrangements for opening up the province are: having three cities take the lead in opening up, focusing on specific tasks, relying on ports, developing two fronts, [words indistinct] forging ahead, and comprehensively opening up to the outside world. Meanwhile, the session also made the point of taking advantage of Pudong's development and opening up as an important task in the province's opening up to the outside world and set the principles of coordinating actively, cooperating in every aspect, supporting each other with their respective strengths, and developing together.
4. While it is necessary to arouse the initiative of all quarters, we need to set priorities in order to accelerate our province's reform and opening up to the outside world and economic development. We must vigorously rely on the common efforts of all quarters, arouse the initiative of all circles, and create an opportunity for all to use their talents. Because of different foundations and conditions, it is impossible for every area to advance at the same pace in terms of reform and opening up to the outside world. Those localities and trades equipped with the conditions to develop more rapidly should be encouraged and supported to develop rapidly. In addition to giving them some necessary special powers, preferential policies should be adopted to help them. In opening up to the outside world, priorities should be set. All localities and departments should set their priorities. To accelerate economic development, the provincial authorities should concentrate on the construction of infrastructural projects—including energy, transportation, and water conservation—that have an impact on economic development as a whole and on the capacity for future economic development;

key basic industrial projects for the production of raw and semifinished materials; and some important key technological transformation projects that will upgrade the province's economic level as a whole.

5. It is necessary to strengthen macroeconomic control while allowing microeconomic flexibility. All powers that should and can be delegated to authorities at lower levels should be promptly delegated. Government units should transform their functions, render better service, and try gradually to change the past situation in which there was no separation between government administration and enterprise management and there was over-centralized, excessive, and rigid control of enterprises. Government departments should shift from direct control to control by relying on policies, laws, decrees, and economic means; they should make policy-making process more scientific and democratic. Under the present circumstances, they should continue to attach importance to strategic planning, pay attention to industrial policies and objective conditions, and do their work in a down-to-earth way. Government departments should continue to pay attention to readjusting the industrial setup, raising the technical level of industry and products, raising economic results, and preventing poor-quality and overlapping construction.

The session stressed that party committees at all levels must give special attention to reform and opening up to the outside world. While promoting reform and opening up to the outside world and developing a socialist commodity economy, they must attach importance to the building of a socialist spiritual civilization, developing democracy, improving the legal system, and strengthening the party's organization. Under the present circumstances, in carrying out the work in these areas, they must also persist in making economic construction the central task and render better service to reform and opening up to the outside world and economic construction.

Attending the session were members of the Standing Committee of the provincial party committee, members and alternate members of the provincial party committee, members of the provincial Advisory Commission, members of the provincial Discipline Inspection Commission, members of the Central Advisory Commission who were in Hangzhou, party-member chairman and vice chairmen of the Standing Committee of the provincial People's Congress, party-member chairman and vice chairmen of the provincial committee of the Chinese People's Political Consultative Conference, secretaries of city and prefectural party committees, mayors and commissioners, principal leaders of the party committees and party groups of units directly under the provincial government, and veteran party comrades who had held the post of vice governors.

Central-South Region

Secretary, Governor at Hainan CPPCC Closing

HK0205062392 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 29 Apr 92

[Text] The Sixth Session of the First Hainan Provincial Chinese People's Political Consultative Conference [CPPCC] Committee victoriously concluded in the Hainan Provincial CPC Committee Auditorium yesterday morning.

The session unanimously endorsed the spirit of a recently convened CPC Central Committee Political Bureau meeting as well as Comrade Deng Xiaoping's important expositions.

The session pointed out: Comrade Deng Xiaoping's important expositions should be taken as an important guide for building socialism with salient Chinese characteristics. The expositions are at once of great realistic significance to the on-going reform, opening up, and economic construction and of important and far-reaching significance to the overall socialist modernization building cause.

Li Mingtian, provincial CPPCC committee vice chairman, presided over yesterday's closing session.

Those who were seated at the session's rostrum included: Yao Wenxu, provincial CPPCC committee chairman; Zhang Jintao, Wang Yuefeng, Zhou Song, Chen Kegong, Hu Kai, Lin Hongzao, Chen Hong, Zou Erkang, and Wang Huifeng, provincial CPPCC committee vice chairmen; and Huang Zigui, provincial CPPCC committee secretary general.

Provincial party committee, people's representatives conference, and government leaders, such as Deng Hongxun [provincial party committee secretary], Liu Jianfeng [provincial governor], Gu Qinglin, Bao Keming, Wei Zefang, Li Mingtian, Xiao Xuchu, Dong Fanyuan, Liu Xuebin, Chen Yuyi, Cao Wenhua, Yang Wengui, Lin Ying, Huang Zongdao, Xin Yejiang, Chen Suhou, Mao Zhijun, and Wang Xueping, as well as Tian Zhongmu, provincial higher people's court president; Li Tianxiang, provincial people's procuratorate chief procurator; and some others also attended yesterday's closing session and extended their congratulations on the session's victorious conclusion.

The provincial CPPCC committee had a total membership of 249, 200 of whom attended yesterday's session, thus constituting a quorum.

Yesterday's session adopted the following documents through a vote by a show of hands:

1. The Political Resolution of the Sixth Session of the First Hainan Provincial CPPCC Committee;
2. The Resolution on the Sixth Session of the First Hainan Provincial CPPCC Committee Standing Committee Work Report;

3. The Motions Examination Report Submitted Jointly by the Motions Committee and the Legislative Affairs Committee of the First Hainan Provincial CPPCC Committee.

The political resolution adopted at yesterday's session called on the CPPCC units, organizations, and members at all levels across the province to conscientiously study and acquire an in-depth understanding of the spirit of the recently convened CPC Central Committee Political Bureau plenary meeting as well as Comrade Deng Xiaoping's expositions; implement in an in-depth manner the spirit of the enlarged Fifth Session of the First Hainan Provincial CPC Committee; unswervingly implement and carry out the party's basic line; submit to and serve economic construction, which is the central task; make unreserved efforts to support and assist the work of the CPC committees and governments at all levels across the province; hold aloft the banner of patriotism and the banner of socialism; make greater contributions to the cause of rejuvenating Hainan and reunifying the motherland; and strive to greet the successful convocation of the forthcoming 14th CPC National Congress with more outstanding achievements.

Secretary Addresses Hainan Congress Closing

HK0405070292 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 30 Apr 92

[Excerpts] The six-day sixth session of the provincial conference of people's representatives, after successfully going through all procedures, [words indistinct] this morning. [passage omitted]

The meeting was presided over by Cao Wenhua, executive chairman of the presidium and vice chairman of the provincial conference of people's representatives. [passage omitted]

Provincial party, government, and military leaders Deng Hongxun [provincial party committee secretary], Liu Jianfeng [governor], Yao Wenxu, Bao Keming, and others were seated on the rostrum together with other presidium members.

At the meeting, Deng Hongxun was elected chairman of the provincial conference of people's representatives by secret ballot.

By a show of hands, the meeting participants approved resolutions on the government work report and other reports.

The meeting, guided by Comrade Deng Xiaoping's important speeches made during his southern tour and the spirit of the fifth session of the seventh NPC [National People's Congress] and with the concerted efforts of the meeting's participants, proved successful and the spirit of reform and opening, democracy, seeking truth from facts, bracing up, and unity prevailed throughout.

The meeting evaluated the province's performance last year and defined the principle for this year's work, targets to be achieved, and tasks.

The meeting approved the resolutions on the provincial government work report and called on the people of all nationalities across the province to unrelentingly implement the party's basic line which stresses the central task of economic activity and adherence to two basic points, seize the favorable opportunity, unite as one, make concentrated efforts, and work hard to enable Hainan's economy to scale a new height at a great pace and with higher efficiency to greet the 14th CPC National Congress and the fifth founding anniversary of the Hainan special economic zone.

Deng Hongxun gave a speech at the closing session. He said:

[Begin Deng Hongxun recording] The current meeting is successful. The spirit of reform and opening, working hard to make progress, democracy, seeking truth from facts, unity, and aiming high has prevailed throughout. At the grand session, mandated by the people, the large numbers of deputies spoke their minds freely, suggested ways for expediting reform and opening to the outside world, for effecting an upswing in economic construction, and for stimulating undertakings in various fields.

Every achievement of the meeting is an embodiment of the wisdom of the deputies. I should like to take this opportunity to advance three opinions:

1. We must carry out the spirit of Comrade Deng Xiaoping's important speeches to the letter and further free ourselves from old ideas to greet a new high tide of construction.
2. We must [words indistinct] and constantly improve the people's congress system.
3. We must promote reform and opening and economic construction on the one hand and improve law and order by cracking down upon criminal activities on the other.

Fellow deputies and comrades,

Our socialist construction has entered a new historical stage. The achievements we scored in the past are inspiring. [Words indistinct] We are fully confident of [words indistinct]. Our reform and opening is holding out a bright future. [Words indistinct] We must unrelentingly carry out the party's basic line, place an unyielding grip on economic construction, further emancipate the mind, deepen reform, open wider to the outside world, do down-to-earth work, and work hard, together with the people of the whole province, to accomplish [words indistinct] tasks, greeting the 14th National CPC Congress and the fifth founding anniversary of Hainan Province with deeds. [end recording]

Communique on Committee Chairman

HK0405073392 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 30 Apr 92

["Communique of Hainan Provincial People's Representatives Conference Six Session Presidium"]

[Text] Notice is hereby given that the sixth session of the Hainan Provincial Conference of People's Representatives elected Deng Hongxun as chairman of the Standing Committee of the Hainan Provincial Conference of People's Representatives on 30 April 1992.

[Signed] Presidium of the sixth session of the Hainan Provincial Conference of People's Representatives

[Dated] 30 April 1992

Hou Zongbin Attends Henan Trade Union Congress

HK0105112792 Zhengzhou Henan People's Radio Network in Mandarin 1030 GMT 28 Apr 92

[Excerpt] The three-and-a-half-day 10th Congress of the Henan Provincial Federation of Trade Unions concluded in the Provincial People's Auditorium this morning.

Provincial party, government, and military leaders, including [provincial party committee Secretary] Hou Zongbin, Li Ming, Li Guangxiang, Hu Tiyun, Hou Zhiying, Liu Yujie, and He Junxi, attended the closing ceremony.

The closing ceremony was presided over by Gu Zhiping, provincial federation of trade unions chairman.

Zhao Jiaxuan, provincial federation of trade unions vice chairman, delivered a closing speech in which he stated: The congress is an oath-taking rally that has succeeded in strengthening solidarity, developing democracy, seeking truth, boosting morale, mobilizing all the staff and workers across the province to actively throw themselves into reform and strive to rejuvenate Henan. After this congress, we must conscientiously study Comrade Deng Xiaoping's important speeches as well as the spirit of the fifth provincial party committee's fourth plenary session under the leadership of the party committees at all levels, conscientiously study and publicize the spirit of this congress as well as the new PRC Trade Union Law, adhere to economic construction as the center, keep a firm grip on the main principle of wholeheartedly relying on the working class, boldly carry out explorations and pioneering work in light of actual local conditions, develop a spirit of fearing neither risks nor difficulties, transform all resolutions adopted at this congress into a conscious action of the broad masses of staff and workers across the province, rejuvenate Henan by uniting more closely and forging ahead, and strive to attain the strategic goal of making Henan's gross national product higher than the country's average and Henan's population grow rate lower than the country's average by working diligently and bringing into full play all our wisdom and talents in order to greet the forthcoming convocation of the 14th CPC National Congress with more outstanding achievements. [passage omitted]

Hubei Secretary Views Role of Working Class

HK0405052092 Wuhan Hubei People's Radio Network in Mandarin 1000 GMT 1 May 92

[Excerpts] Yesterday afternoon, provincial party committee Secretary Guan Guangfu, and Li Daqiang, provincial party committee Standing Committee member

and provincial vice governor, paid a visit to Wuhan's 7 February Incident Memorial Hall and met with a number of descendants of the 7 February Incident martyrs. [passage omitted]

Guan Guangfu said: Politically and economically, Wuhan city occupied in the past and is still occupying at present an important position in our country. Now the huge tide of reform and opening up is rapidly rushing from the coastal areas toward the areas along the Chang Jiang. The provincial party committee has already put forth a strategy aimed at quickening province-wide reform and opening up with Wuhan as the center. We must constantly deepen and unify our understanding in this regard, give full scope to the role of Wuhan as a central city which boasts a big army of industrial workers.

After visiting the memorial hall, Guan Guangfu and Li Daqiang cordially met with 13 descendants of the 7 February Incident martyrs, including Shi Linbo, granddaughter of Martyr Shi Yang. [passage omitted]

During the meeting, Guan Guangfu noted: China's working class has always been the backbone force in revolution and in productive forces development. In the new situation of reform and opening up, the working class must fully understand the important tasks they are undertaking, brace up, go to the forefront of reform, opening up, and economic development, and strive to push economic construction onto another new stage every few years.

Guan Guangfu stated: In carrying out reform, enterprises must wholeheartedly rely on the working class. Each and every in-depth reform measure and move must aim at mobilizing the enthusiasm of staff and workers. Enterprises must take practical steps to bring into full play and protect the enthusiasm of staff and workers in the course of reform.

Guan Guangfu also called on party committees and governments at all levels to, while deepening reform in the economic domain, successfully carry out ideological and political work, modestly listen to the opinions of the masses, show concern for the livelihood of the masses, improve work methods, and strengthen democratic management.

Guan Guangfu maintained: Reform represents the fundamental interests of the working class. As long as the enthusiasm of the working class can be brought into full play, the unifying force of the socialist enterprises will certainly be greatly enhanced and the pace of reform and opening up will definitely be quickened to a considerable extent.

Upon invitation, Guan Guangfu also wrote the following inscription: Inherit the Glorious Tradition of 7 February Incident, Serve the Reform and Opening Up Cause. [passage omitted]

Those accompanying Guan Guangfu and Li Daqiang during their visit included: Zhang Hongxiang, provincial

party committee secretary general, Pang Junde, provincial federation of trade unions chairman, Wang Shichang, Wuhan Railroad Subbureau CPC Committee secretary, and others.

Southwest Region

Sichuan Secretary Addresses May Day Rally

HK0405103692 Chengdu Sichuan People's Radio Network in Mandarin 1015 GMT 30 Apr 92

[Excerpts] At a provincial meeting held this morning to mark May Day and to award 1 May medals and merit certificates, the provincial party committee, government, and federation of trade unions commended 65 national advanced individuals, 11 national advanced teams and groups, and seven advanced units that were awarded national 1 May labor medals and merit certificates, from all walks of life across the province, and awarded them [words indistinct].

On behalf of the provincial party committee and government, Song Baorui, deputy secretary of the provincial party committee, extended warm greetings to award-winning units, teams and groups, and individuals and extended holiday greetings and high tribute to the broad masses of workers and staff who were working on all fronts throughout the province. [passage omitted]

Provincial party committee Secretary Yang Rudai attended the rally and extended festival greetings to prize winners, the working class, and other laboring people.

Yang Rudai said: Comrade Deng Xiaoping's important speeches [words indistinct] for reform and opening. Reform and opening are our laboring people's [words indistinct]. It is necessary to give full play to the working class as masters of the country so that Sichuan's economy will hit a new benchmark.

Sichuan City Official Hails Three Gorges Project

OW0405080092 Beijing XINHUA in English 0725 GMT 4 May 92

[Text] Chongqing, May 4 (XINHUA)—Construction of the Three Gorges project on the Yangtze River will benefit Chongqing, China's most populous city in Sichuan Province, according to Wang Zhengde, deputy mayor of the city.

The Three Gorges project, which was approved for construction by the People's Congress recently, will be located in Hubei Province, central China.

Wang said that if the Three Gorges reservoir is being built, it will help widen the surface of the river and raise the water level so as to improve shipping.

It will also enable ships each with 10,000 deadweight tons to sail directly from the lower reaches of the Yangtze River to Chongqing on the upper reaches of the river and increase the shipping capacity up to 40 million to 50 million tons a year.

Construction of the project will pave the way for Chongqing to develop into a port city to make close contacts with the economic development areas along the Yangtze River.

The deputy mayor acknowledged that construction of the Three Gorges project will bring silt to a number of channels of the city in decades.

However, he believed that such a problem can be solved with optimized reservoir management.

According Wang [as received], China spends 70 million yuan a year in maintaining water and soil conservation projects on the upper reaches of the Yangtze River.

Tibet CPPCC Committee Session Opens in Lhasa

OW0305042192 Lhasa Tibet Television Network in Mandarin 1230 GMT 2 May 92

[From the "Tibet News" program]

[Text] Spring is very much in the air in the month of May in Lhasa. Amid the spring wind of reform and opening up, the Fifth Session of the Fifth Tibet Autonomous Regional Committee of the Chinese People's Political Consultative Conference [CPPCC] was solemnly opened in Lhasa on 2 May. Attending the meeting were vice chairmen of the autonomous regional committee of the CPPCC, namely Lhamin Soinam Lhunzhub, Jimzhong Gyaincain Puncog, Lhalu Cewang Doje, Tangmai Gongjue Baimu, Gonbasar Tubdanjigzha, Qaba Gaisang Wangdui, Cedain Zhoima, and Duojizha Jiangbailu-osan; and (Xu Hongsheng) its secretary general. Also invited to attend as observers were autonomous regional party, government, and military leaders, including Chen Kuiyuan, Gyaincain Norbu, Basang, Mao Rubai, Danzim, Zi Cheng, Chen Hanchang, (Feng Jun), Sengqen Lozong Gyaincain, Pudoje, Namgyai, Wang Guangxi, Gyamco, Gying Puncog Cedain, Gong Daxi, Laba Pingcuo, Zhou Wenbi, and Jiang Chengguang; and Yang Youcai, chief procurator of the autonomous regional People's Procuratorate. Also attending as observers were members of the National Committee of the CPPCC from Tibet, responsible comrades of relevant autonomous regional departments, and United Front Work Departments of the prefectural, city committees of the CPPCC.

Of the 480 members of the Fifth Session of the Fifth Autonomous Regional Committee of the CPPCC, 142 took leave because of illness or other engagements, 383—representing a quorum—were present.

In his opening address, Paghalha Geleg Namgyai, vice chairman of the autonomous regional committee of the CPPCC, said: The guiding principles of this session were to implement Comrade Deng Xiaoping's important talks and the spirit of CPC Central Committee Political Bureau meetings; to continue upholding the party's basic line of "one center and two basic points"; to implement the principles of "one center, two major businesses, and three guarantees" formulated by the autonomous regional party committee; to promote democracy; and to

mobilize and unite CPPCC members and patriotic figures to realistically offer ideas and strategies aimed at speeding up reform, opening wider to the outside world, and developing the region's economy.

The first order of business of this meeting is to conduct serious discussions, and to offer views and proposals on the region's future tasks as contained in the government work report to be presented later by Chairman Gyaincain Norbu; as well as to further emancipate the mind, and hasten the pace of reform and opening up as covered in Vice Chairman Mao Rubai's upcoming speech. The session will also discuss questions of how the CPPCC autonomous regional committee can further play its fundamental roles of political consultation and democratic supervision.

Vice Chairman Pagbalha Geleg Namgyai said: We should—on the basis of conscientiously and deeply studying and understanding the spirit and essence of Comrade Deng Xiaoping's important talks, with a strong concept of political participation and discussion, and a high sense of responsibility as are own masters—fully demonstrate our intelligence and wisdom; seriously perform our glorious duty; speak up freely when airing our opinions; thoroughly reflect the people's views and demands; and make fresh contributions to further stabilizing the region's situation, developing the economy, enhance and emancipate productive forces, and further improve the masses' livelihoods by offering positive ideas and methods.

Members adopted both the overall and daily agendas of the Fifth Session of the Fifth Tibet Autonomous Regional Committee of the CPPCC by clapping their hands.

Lhamin Soinam Lhunzhub, vice chairman of the CPPCC autonomous regional committee, entrusted by the regional CPPCC Standing Committee, presented a report on its work. The report stated: During the past year, the Tibet Autonomous Regional Committee of the CPPCC, under the leadership of the autonomous regional party committee, has conscientiously implemented the spirits of both the Seventh and the Eighth Plenary Sessions of the 13th CPC Central Committee and the Third Plenary (Enlarged) Session of the Fourth Tibet Autonomous Regional Party Committee; positively implemented the opinions of the CPC Central Committee on upholding and perfecting the CPC-led system of multiparty cooperation and political consultations; energetically performed the functions of political consultation and democratic supervision over the work of both government and party; and did much in promoting the region's political and social stability as well as economic construction with marked success. First, on the basis of firm socialist conviction, and opposing division and regression, much has been done in guaranteeing political stability throughout the region. Second, the Provisional Regulations on Political Consultations and Democratic Supervision of the Tibet Autonomous Regional Committee of the CPPCC have been conscientiously implemented, resulting in the continued

enhancement of work levels in related fields. Third, in closely revolving around the region's central tasks, investigations, and studies were actively carried out in search of ideas and methods for building the two civilizations. Fourth, work on the implementation of resolutions has been improved markedly while new progress was achieved in the study of documental and historical data.

He said: Under the new situation, the various work tasks of the autonomous regional committee should be geared to serving economic construction. We should continue to hold the banners of patriotism and socialism high; preserve the unification of the motherland; strengthen national unity; oppose division and regression; further promote the CPPCC's fine tradition of self-education by persistently improving study methods and organizational work; positively unfold the people's diplomacy [as heard]; reinforce contacts with the CPPCC committees of various fraternal provinces and regions, and that of various prefectures, cities, and counties; and work hard to advance the region's economic construction to a new level.

Jimzhong Gyaincain Puncog, vice chairman of the CPPCC autonomous regional committee, presented a report by the Resolution and Legislative Committee of the autonomous regional committee on the progress of implementing resolutions since the Fourth Session of the Fifth Autonomous Regional Committee of the CPPCC.

Group Talks Held 2-3 May

OW0405052192 Lhasa Tibet People's Radio Network
in Mandarin 1430 GMT 3 May 92

[From the "News and Information" program]

[Text] On the afternoon of 2 May and on 3 May, the Fifth Session of the Fifth Tibet Regional Committee of the Chinese People's Political Consultative Conference [CPPCC] held group discussions.

In line with earnestly studying and understanding the guidelines of the important remarks made by Comrade Deng Xiaoping, committee members attending the fifth session held enthusiastic group discussions, freely expressing their respective views on various aspects including ways to further emancipate the mind; to accelerate the pace of reform and opening; and to enhance economic construction with concerted efforts.

In their speeches at the group discussions, committee members said: We should be bolder while implementing the reform and opening program. When performing CPPCC work, we should also be bolder and further emancipate the mind. They added: When viewing Tibet's actual conditions, we notice that both Tibet's economic growth rate and the masses' living conditions are below national average levels. To make improvements in this aspect, we should further emancipate the mind, seize current favorable opportunities, and accelerate the pace of reform. We should boldly undertake endeavors so long as they are conducive to developing the socialist productive forces, to enhancing the overall national strength, and to improving the people's living

standards so as to expeditiously bolster Tibet's economic progress and the masses' living standards.

In their speeches, committee members said: To accelerate the pace of reform and opening, we should promote and upgrade education, training of professionals, and science and technology. Moreover, reform should also be comprehensive, involving leaders as well as grass-roots units, especially administrative organizations of the party and government which definitely need rectification. At present, many organizations cannot fulfill the requirements of reform and opening.

List of Tibet People's Congress Presidium Members

OW0405043792 Lhasa Tibet People's Radio Network in Mandarin 1430 GMT 3 May 92

[From the "News and Information" Program]

[Text] Following is the list of the members and the secretary-general of the presidium of the Fifth Session of the Fifth Tibet Autonomous Regional People's Congress adopted at the preparatory meeting of the regional people's congress on 3 May 1992.

The name order of members of the presidium is arranged in the alphabetical order of the Tibetan language: (Gao Shizhen), female; (Zhang Lichu), Han nationality; (Zhang Guoying), Han nationality; Zhang Zhu; (Zhang Ji Ra Mu), female; (Qiu Beiyuan), Han nationality; (Saba Jiangcuo), Moinba nationality; (Jimian Doje); Ngapoi Ngawang Jigme; Jangzhong Zhaxi Doje; Jiang Chengguang; (Danjia Doje Liaoden); Namgyai; (Badu Tomba); (Maizhou); Pagbalha Geleg Namgyai; (Chi Lai); Pudojie; (Yangji Ramu), female; (Cheba); Luoga; Luosang Jiangcun; (Luosang Dunzhu); (Losang Lange); (Losang Chinba); (Ma Guanghua), Hui nationality; Mingwa Wangdui; Wang Guangxi, Han nationality; (Wang Xianming), Han nationality; (Wu Jianli), Han nationality; (Yabai), female—Moinba nationality; (Yixi Panzhen); (Yongzhong Dawa); Raidi; (Renzen); (Raiche); (Shenshing Lozang Bingzhan); (Sanling Doje Bawu), female; Hu Jintao, Han nationality; Hu Songjie, Han nationality; (Nazheng), female; (Laba Chiren); (Ahgo).

Secretary general: Wang Guangxi.

Executive Chairmen of Presidium

OW0405033792 Lhasa Tibet People's Radio Network in Mandarin 1430 GMT 3 May 92

[From the "News and Information" program]

[Text] On 3 May 1992, the presidium of the Fifth Session of the Fifth Tibet Autonomous Regional People's Congress held its first meeting and approved a namelist of executive chairmen of the presidium.

The namelist is as follows: Ngapoi Ngawang Jigme; Pagbalha Geleg Namgyai; Sengqen Lozong Gyaincain; Pudojie; Namgyai; Jangzhong Zhaxi Doje; Samding Doji Pamo, female; Wang Guangxi, Han nationality; and Hu Songjie, Han nationality.

Tibet Self-Sufficient in Grain, Vegetables

HK0105112592 Beijing RENMIN RIBAO in Chinese 18 Apr 92 p 2

[Dispatch by reporter Wu Huagou (0702 5478 0948) and correspondent Guo Haijun (6753 3189 6511): "Tibet Basically Self-Sufficient in Grain and Vegetables"]

[Text] Lhasa [no date as received] (XINHUA)—As a result of the ceaseless efforts of a large number of agricultural technologists, for the last 20 years Tibet has seen 89 good highland crops, including highland barley, wheat, peas and chili; pass quality approval and promptly extended, which has promoted growth of grain and vegetable production in the entire region.

As a staple food crop in Tibet, highland barley has been improved from the first-generation good breed, the Himalayan 1-4, to the good and high-yielding breed Tibetan highland barley 80 and 320, which is a third-generation selectively bred hybrid. Yields per mu rose from the previous average of 100 kg to 250 to 300 kg. By 1991, there were 2.15 million mu of good-breed extension area in the entire region, 80 percent of the entire sown area. Total grain output reached 580 million kg; close to 2 million peasants and herdsmen enjoy a per-capita 250 kg of grain. There is basically self-sufficiency in grain.

Breed improvement has enabled Tibet's vegetable production to continuously break into "off-limit zones." Over the last 30 years or so, Tibetan agricultural technology departments have screened over 400 imported breeds and strains, and found and domesticated over 60 breeds, adapting them to highland planting. Through continuous improvement, they have also raised the good-breed percentage of highland vegetable planting to 100 percent. Growing seasons and areas have been extended increasingly and output continuously doubled. Tibet has added cucumbers, chili and tomatoes to its usual vegetable produce of radishes, cabbages and potatoes and brought its total vegetable produce up to 40 types. Home-grown vegetables account for 80 percent of Tibet's daily vegetable market supplies. Tibet is basically self-sufficient regarding vegetables, and is able to supply fresh vegetables in each season and every year.

This year, seeds departments at all levels in Tibet have stored 27.50 million kg of various good breeds. Good-breed extension areas throughout the region's grain production areas are expected to reach 2.2 million mu, up 50,000 mu from last year. There have been increases in types and output of vegetables.

Lhasa Steps in Vocational Education Reported

OW0305065092 Beijing XINHUA in English 0633 GMT 03 May 92

[Text] Lhasa, May 3 (XINHUA)—The Lhasa municipal government in the Tibet Autonomous Region has made great efforts to develop vocational education on the outskirts.

In Doilungdeqen County, some 10 kilometres west to Lhasa city, a vocational school has been set up and courses of agriculture, gardening, farm machinery, planting and processing have been provided.

The county's government has also allocated a piece of land as an experimental farm for students.

In other schools in the county, technical programs have been also provided and many teachers can teach cultural classes and technical courses.

According to an official from the Lhasa Municipal Education Bureau, the development of vocational education was aimed at changing the traditional educational pattern, which led all the students to the very competitive college entrance examination.

Now, many students have learned practical techniques for agricultural production and can apply them as soon as they graduate from these schools.

In Doilungdeqen County, the grain production has increased for several consecutive years thanks to farmers who have learned scientific farming methods in the vocational schools or from the technical programs.

Northwest Region

Gu Jinchi Listens to Preparatory Work Report

HK0105112892 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 28 Apr 92

[Text] The second annual meeting of the Society for Chinese Staff and Workers' Ideological and Political Work is to be held in Baiyun City the last 10 days of May. The relevant preparatory work is well under way at the moment.

Provincial party and government leaders, including [provincial party committee Secretary] Gu Jinchi, [Governor] Jia Zhijie, Lu Kejian, and Li Ping, listened to reports given by various departments in charge of the meeting's preparatory work yesterday.

The annual meeting is going to be a large-scale and high-level one as well as a major event in the provincial political life. The convocation of the meeting will be of great significance to the work of publicizing Gansu, making Gansu better known, and promoting Gansu's reform, opening up, and economic development.

The provincial party and government leaders called on various departments concerned to exert their utmost and do everything possible to carry out meticulous organization work and strive to greet the convocation of the meeting with a completely new mental outlook.

Yin Kesheng Attends Qinghai Congress Closing

HK0205062592 Xining Qinghai People's Radio
Network in Mandarin 2300 GMT 29 Apr 92

[Text] The eight-day Fifth Session of the Seventh Qinghai Provincial People's Congress victoriously concluded in Xining yesterday afternoon.

The Outline of the Qinghai Provincial 10-Year National Economic and Social Development Program and the Qinghai Provincial Eighth Five-Year Plan, which was adopted at the session, reflected in a centralized way the common aspiration and staunch determination of the people of all nationalities across the province to unite as one and to strive to rejuvenate Qinghai's economy and bring about a comfortably well-off life for the Qinghai people. The outline is an extremely important document aimed at guiding the people of all nationalities across Qinghai to successfully attain the second-stage strategic goal.

The closing session called on the people of all nationalities across Qinghai to develop not only a strong sense of historical responsibility but also a strong sense of urgency of racing against time, actively throw themselves into the on-going construction and reform practice, brace up, work with one heart and one mind under the leadership of the CPC Central Committee and the State Council, unite as one, forge ahead through continued explorations, and strive to comprehensively fulfill all the grand tasks laid down in the outline.

The closing session's executive chairmen were: Huanjue Cenam, Ga Bulong, Lu Shengdao, Xie Gaofeng, Ma Wending, Yang Wenjin, and Gaisang Doji.

Provincial party committee, advisory committee, government, Chinese People's Political Consultative Conference Committee, and military district leaders, including Yin Kesheng [provincial party committee secretary], Tian Chengping, Jin Jipeng [provincial Governor], Tang Zhengren, Doba, Ji Zhanbin, Ma Wanli, Han Yingxuan, and others, as well as persons in charge of the provincial higher people's court, the provincial people's procuratorate, and various military troops stationed in Qinghai, and some veteran comrades also attended the closing session upon invitation.

The closing session was presided over by Ga Bulong, executive chairman of the session's presidium, who read out the following statement on behalf of the session:

The Fifth Session of the Seventh Qinghai Provincial People's Congress discussed and unanimously agreed: The 1990's is an extremely crucial period for Qinghai's socialist modernization building. To ensure effective implementation of the outline, people's governments at all levels across the province must adhere to Comrade Deng Xiaoping's important expositions on building socialism with salient Chinese characteristics as a guide, unswervingly implement and carry out the party's basic line of one center, two basic points, creatively integrate the party's principles and policies with the realities in Qinghai, grasp current excellent opportunities, mobilize

all positive factors, concentrate on economic construction, and strive to push provincial economic development onto another new stage every few years. Reform and opening up is the only way of liberating social productive forces. The key to Qinghai's economic rejuvenation lies in in-depth reform and expanded opening up. Therefore, it is necessary to further emancipate minds, persistently proceed from actual conditions, and quicken the pace of reform and opening up.

The closing session called on people's governments at all levels to continually and simultaneously promote two-civilizations building, simultaneously step up reform and opening up on the one hand and crack down on all sorts of criminal activities on the other, further enhance a sense of service, transform government functions, separate the functions of the government from those of the enterprises, improve work style of various government organs, strictly ban formalism and bureaucratism, work in a practical and down-to-earth manner, increase work efficiency, and explore new experiences in a creative manner.

The closing session also adopted the following documents through a vote with a show of hands:

1. The Outline of the Qinghai Provincial 10-Year National Economic and Social Development Program and the Qinghai Provincial Eighth Five-Year Plan;
2. The Resolution of the Qinghai Provincial People's Congress on the Outline of the Qinghai Provincial 10-year National Economic and Social Development Program and the Qinghai Provincial Eighth Five-Year Plan;
3. The Resolution on the 1991 Qinghai Provincial National Economic and Social Development Plan Implementation and the 1992 Qinghai Provincial National Economic and Social Development Plan;
4. The Resolution on the 1991 Qinghai Provincial Final Financial Accounts and the 1992 Qinghai Provincial Financial Estimates;
5. The Resolution on the Qinghai Provincial People's Congress Standing Committee Work Report;
6. The Resolution on the Qinghai Provincial Higher People's Court Work Report;
7. The Resolution on the Qinghai Provincial People's Procuratorate Work Report.

The closing session also adopted a decision on the number of deputies to and the methods of election at the upcoming Eighth Qinghai Provincial People's Congress.

The Fifth Session of the Seventh Qinghai Provincial People's Congress ended amid the loud national anthem.

Xian Authorities Plan City's Economic Reemergence

HK0405055992 Beijing CHINA DAILY in English
4 May 92 p 1

[By staff reporter Lao Liu: "Xian Set To Recapture Economic Glory Days"]

[Text] Xian—China's most prestigious ancient capital is set to become an economic power again, according to the city mayor.

Once known worldwide as Chang'an, the capital of the Qin, Han, Tang dynasties, Xian has again come into the limelight since the 1970's when thousands of Qin terracotta warriors were unearthed there.

Now, ambitious plans have been mapped out by the city's authorities for the re-emergence of the city on the international stage as "one of the world's most developed and prosperous metropolises" with broad overseas links as it was in ancient China.

Xian is seeking to join the country's 14 coastal open cities for faster development "under more favourable foreign investment and trade policies."

The proposal is being considered by the State Council.

"To restore the city's ancient prestige has now become the strong desire of the 6 million Xian citizens who are eager to push the economic development of the city to a higher level," said Mayor Cui Lintao.

Xian, capital of North China's Shaanxi Province, is not only home to the 2,200-year-old Terracotta Army, but also the starting point of the 7,000 kilometre Silk Road which helped ancient China promote its foreign trade and economic connections with Europe across Central Asia.

Modern Xian should restore its international glamour by opening wider to the outside and strengthening its economic ties with the world community, Cui said.

As part of the promotion drive, Xian will host its first foreign economic and technical co-operation conference in Beijing this week.

The mayor will head a delegation of more than 100 representatives of the city's 158 big and medium State-owned industrial enterprises. About 740 projects will be released at the conference to seek foreign co-operation.

Foreign businessmen and diplomats from more than 30 nations and regions have been invited and contracts worth \$80 million are expected to be signed during the three day conference.

The conference will be followed by similar meetings in Japan, Hong Kong, the Middle East and some European countries later this year.

To most foreigners, Cui said, Xian is no more than a place full of cultural relics and they know little about its industry and scientific and technological potential.

But, he said, more than half of the major factories in Shaanxi Province are located in Xian, including machinery, chemistry, automobile, textile, aerospace, electronics, laser, computer, nuclear and navigation facilities.

With more than 600 scientific and technological research institutions, 42 universities and colleges and a strong army

of 360,000 well-educated engineers and technicians, Xian ranks third behind Beijing and Shanghai in terms of scientific and technical personnel, the mayor claimed.

Xian's new scientific and technological development zone, the largest in the country with investment of 2.3 billion yuan (\$400 million), will help the city catch up with the world in advanced science and high-technology.

Over the past six months, more than 120 high-tech projects have been launched in the zone and their annual output is expected to reach 1.64 billion yuan (\$300 million).

More and more foreign investors have become interested in economic and technological co-operation with the city which plans to draw overseas fund of about \$200 million annually in the Eighth Five-Year Plan period (1991-95) to help update its industrial technology.

Xinjiang Speeds Up Infrastructure Construction

OW0305075392 Beijing XINHUA in English
0726 GMT 3 May 92

[Text] Urumqi, May 3 (XINHUA)—The Xinjiang Uygur Autonomous Region speeds up construction of infrastructural facilities in its border towns so as to further open to the outside world.

Located in northwestern China, Xinjiang has opened nine land ports so far.

Last year saw the region's import and export volume of these ports top 100 million U.S. dollars.

The import and export goods via the Horgos and Alataw Passes amounted to 380,000 tons in the first three months of this year, exceeding the total of last year.

To keep in line with the opening, both the state and localities have spent more on infrastructural facilities in these land ports.

A survey report shows that the Horgos Pass is transforming a 30-kilometer highway, installing a program-controlled telephone exchange with a capacity of 240 lines, and investing 7.1 million yuan in building storage facilities and ground work in the 11-square-kilometer urban area.

Upon completion, the Horgos Pass will have an annual handling capacity of more than 600,000 tons of goods, up two folds over last year.

The Alataw Pass, the largest in western China, has already formed a comprehensive transportation and production capacity.

The 20-square-kilometer pass has housed such public utilities as a railway station, bus stations, a hospital, schools, department stores, office buildings, a postal and telecommunication building and residential quarters.

A local official said that the pass's handling capacity of import and export goods will surpass one million tons this year.

Applications for Mainland Entry Permits Revised

HK0405025892 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1214 GMT 1 May 92

["Special feature" by Zhong Tai (6988 0669)]

[Text] This is the first day for Hong Kong China Travel Service to accept Taiwanese applications for Mainland entry permits. One after another, a large number of Taiwan compatriots arrived at various operational sites all over Hong Kong island proper and Kowloon early this morning. By evening, approximately 500 Taiwan compatriots have submitted their applications for entry permits valid for five years, and only one case was found with a problem on the number of the applicant's identification card.

An atmosphere of peace and tranquility was found at every operational site. There was actually no differences in the procedures of the new entry permit application, and the permits were ready in a short while; this set the applicants' minds at ease, who earlier had not been without doubts and anxieties. A Taiwanese businessman who has made frequent trips to the mainland smiled and said: The handling of applications for entry permits valid for five years is a good beginning of the mainland improving conditions for Taiwan compatriots revisiting the mainland; we hope the procedures for entering the mainland will be more convenient from now on.

Simplifying Procedures of Applying for New Entry Permits

There has been a stream of Taiwan compatriots visiting the mainland since 1987; however, only travelling permits valid for three months were available in the past. Now, long-term entry permits valid for five years are available to provide greater convenience for Taiwan compatriots to revisit the mainland. The majority of applicants today were businessmen along with some scholars, visitors, and tourists. Through on-the-spot contacts, it was learned that the majority of Taiwan compatriots quite appreciated mainland authorities's measure for simplifying procedures of entry permit application. A Taiwanese businessman bearing the surname Su [5685], who has made investments in Shenzhen said: In the past, I had to send in an application for entry permit every time I visited the Mainland; now, I have only to do it once in five years, and I am really happy about it. Another benefit of the new permit valid for five years is that the certificate has provided a page for "extension of stay." Should unusual circumstances arise, Taiwan compatriots may extend their stay with permit of local organs, and that is something new.

Doing Their Best To Shorten Time Needed for Application of Entry Permits

Although the majority of Taiwan compatriots are satisfied with the rapidity and convenience in applying for new entry permits, they are not happy about waiting 15 work days to obtain the new permits. It was learned that, in actual fact, the Hong Kong China Travel Service has

already transferred some 60 workers to plunge into the tense operation in handling the Taiwan compatriots' applications for entry permits valid for five years. However, with every application form received, they have to go through the process of categorizing, filing the materials into the computer, checking them, creating a disc to process a certificate, which will then go through the processing of printing and coating, and all this is time-consuming. Despite this, related responsible person of the Hong Kong China Travel Service said that aside from doing their best to become familiar with related operational process, they would mobilize more hands to work overtime to deliver the certificates to Taiwan compatriots as early as possible. This responsible person added that shortening the work days needed in processing the entry permits is the common wish of Taiwan compatriots and the travel service's people.

Doubts and Anxieties About "Original Copy of Census Register"

Since the mainland authorities promulgated the new regulations concerning Taiwan residents' application for entry permits to the mainland, a rumor about a "requirement on presenting an original copy of a census register" had roused all sorts of doubts in Taiwan; this actually resulted from misunderstanding. The several hundreds of Taiwan compatriots sending in their applications for entry permits today were only asked to present a copy of their identification cards. Personnel of the Travel Service handling applications for entry permits explained that regarding the requirement of presenting related certificates of Taiwan compatriots applying for entry permit to the Mainland, there is no change in past practice free of any new requirements; only when a few Taiwan compatriots fail to present their residential addresses or indistinct number on their identification cards are found will it be necessary to confirm them with the original copy of census register. Among the Taiwan compatriots applying for entry permits, a case of an indistinct number on an identification card was found, the Hong Kong China Travel Service authorities have already made contact with the person in question as quickly as possible to appropriately handle the case.

'Special Article' Views Taiwan Investment

HK0405035792 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 0620 GMT 24 Apr 92

["Special article" by Shi Chuan (4258 1557)]

[Text] Guangzhou, 23 Apr (ZHONGGUO TONGXUN SHE)—Following the continuous expediting of the mainland's reform and opening up and the fact that ties between the mainland and Taiwan are getting increasingly closer daily, more Taiwan businesses are investing in and setting up factories on the mainland. Information supplied by relevant quarters shows that at present, over \$5 billion of Taiwan capital has flowed onto the mainland, with a total agreed investment exceeding \$3 billion.

Since the mid-1980's, Taiwan has gradually relaxed foreign exchange controls, and its overseas investment has quickly expanded. In the five years from 1986 to 1990, Taiwan's overseas investment reached a total of \$17.2 billion, ranking 13th in the world. At present, the mainland accounts for 21.3 percent of Taiwan's total overseas investment, or its largest share; and Taiwan's investments in other countries, including Southeast Asian countries, are less than that on the mainland. The survey shows that in its future investment plans, Taiwan will, likewise, put its largest share of investment on the mainland, and that about twice as many as the present number of Taiwan investors are prepared to invest their capital on the mainland.

According to analyses by relevant quarters, there are five reasons why Taiwan investors are particularly interested in the mainland: First, ties between the mainland and Taiwan are getting closer daily, and Taiwan's investment on the mainland is beneficial to both sides. Second, the mainland uses special preferential policies for Taiwan businesses and has set up many special areas and development areas to attract them. Third, the mainland's investment environment is improving daily; its traffic and communications are comparatively convenient, and the mainland is stable socially, politically, and economically. Fourth, Taiwan's investment environment is worsening daily, it has a labor shortage, and the New Taiwan dollar is continually picking up; while labor and land on the mainland are both cheap. Fifth, the mainland and Taiwan share the same cultural background, and their people have no language barrier and find it easy to communicate and cooperate.

The information shows that there are now more than 3,000 Taiwan enterprises investing in the mainland dealing in food, textiles, garment manufacturing, leather goods, rubber, metal products, electronic and electrical machinery, and other products. As far as the various industries are concerned, the rubber and plastic industries are the largest and account for 23.9 percent; while electronic and electrical machinery industries and textile and ready-made clothes industries account for 18.5 percent and 14.1 percent respectively, ranking second and third. Of prospective Taiwan investors, 16.8 percent intend to invest in metal manufacturing industries, ranking first; 15.7 percent in electronic and electrical machinery, ranking second; 12.7 percent in rubber and plastic industries, ranking third; and 12.5 percent in the textile industry, ranking fourth.

According to informed sources, at present, Taiwan businesses are mainly scattered along the coast, especially along the southeastern coast, of which Guangdong and Fujian account for the largest number and have over 1,000 Taiwan enterprises each with an investment of \$1.2 billion. Taiwan businesses are now the biggest source of foreign capital for Fujian. Taiwan capital in Guangdong, Fujian, Shanghai, and Zhejiang alone account for over 75 percent of its total on the mainland.

Trade Group Head on Economic Ties With Taiwan

OW0305140692 Beijing Central People's Radio
in Mandarin to Taiwan 2200 GMT 2 May 92

[Interview with Zheng Hongye, president of the Economic and Trade Coordination Committee for the Two Sides of the Straits, by station reporter Chen Jiangjun; place and date not given; from the "News and Current Events" program—recorded]

[Text] [Begin Zheng recording] The Economic and Trade Coordination Committee for the Two Sides of the Straits was formally set up in 1989 in (Hong Kong) by merging the Commercial Coordination Committee for Taiwan and the Commercial Coordination Committee for the Two Sides of the Straits. After the committee's formation, we created four special subcommittees in charge of policy coordination, trademarks and patents, legal affairs, and industrial and commercial consultations. Shortly afterward, we held the first seminar on cross-strait trade and investment in Beijing in October 1990. It stirred debate worldwide because the two sides of the strait had never established contact and held talks with each other for over four decades. A total of 659 delegates from Taiwan held extensive and in-depth talks with 600 to 700 delegates from 29 provinces, municipalities, and autonomous regions on the mainland. Although it lasted just three days, the seminar was essential for enhancing understanding.

After the seminar, the more than 600 Taiwan delegates visited various provinces and municipalities on Mainland China to further improve their understanding. The trip indicated that the seminar was fruitful. The delegates came to understand Mainland China's vast potential. Last year, we hosted more trade promotional functions in various major cities and municipalities in southern China, especially in Shanghai. Taiwan sent over 400 delegates to those functions, although it originally had planned to send more. The smaller delegation was prompted by worries that the floods in Mainland China would divert the attention of people from the talks and trigger an outbreak of infectious diseases. Despite such worries, more than 400 delegates from Taiwan attended the second seminar on cross-strait trade and investment in Shanghai. There were 700 to 800 mainland delegates at the seminar.

In March this year, we held a working meeting of the Economic and Trade Coordination Committee for the Two Sides of the Straits in Guangdong to lay down future tasks. These tasks include holding seminars to widen the knowledge of Taiwan industrialists and businessmen regarding Mainland China's legal services and arbitration and investment laws. For its part, the Taiwan side is planning to send several delegations to a number of provinces and municipalities to hold more in-depth talks on cooperative projects.

I think that there are broad prospects for economic and commercial exchanges across the Taiwan Strait if there are no man-made barriers and if the Chinese people

move toward the general goal of reunifying the motherland. The two sides can conduct exchanges in many areas. Given its rich natural resources, Mainland China is in a strong position to provide and guarantee the supply of petroleum, coal, and grain that Taiwan needs. Mainland China hopes to introduce Taiwan's funds through technological and economic cooperation. Everybody knows that Taiwan has ample foreign exchange reserves. Cooperation is conducive to the Chinese people, reunification of the motherland, and improvement of cross-strait friendly relations.

The same is true with investments. Trade and investment totaled \$5.8 billion last year. Of course, trade and investments thus far have been indirect. I think that

investment in Mainland China would increase if not for man-made barriers. In the area of personnel exchanges, people from Taiwan are visiting Mainland China by the million; however, only a smattering of mainland visitors are going to Taiwan. The Economic and Trade Coordination Committee for the Two Sides of the Straits last year issued a formal appeal for relaxing restrictions; after a year, it has not yet received any response. We hope that Taiwan authorities will take account of the well-being of the Chinese people and the grand cause of reunifying the motherland by permitting mainland industrialists and businessmen to go to Taiwan on sightseeing and fact-finding trips to enhance understanding, increase contact, promote economic and trade ties, and push for the grand cause of reunifying the motherland. [end recording]

Nation, U.S. To Hold IPR Talks 'Late May'

OW0405083792 Taipei CNA in English
0827 GMT 4 May 92

[Text] Taipei, May 4 (CNA)—Chinese and American trade negotiators will meet in Washington in late May to hammer out solutions to their current disputes over intellectual property rights (IPR) protection. Economic Affairs Minister Hsiao Wan-chang reported over the weekend.

It will be the first time that trade officials from the two countries have met on intellectual property issues since the United States listed Taiwan as a "Priority Foreign Country" for "Special 301" investigation late last month.

Hsiao, who resumed his normal work schedule Saturday after a brief sick leave, told the local press that the government will soon take meaningful steps to eliminate commercial counterfeiting here.

"Deeds speak louder than words," the minister stressed. "Our actions will attest our determination."

Hsiao reported that the Ministry of Economic Affairs will meet regularly to review the country's IPR protection measures.

During the first such meeting Saturday, Hsiao said, various ministry departments presented many proposals for improving IPR protection here.

Hsiao pointed out that the elimination of commercial piracy is definitely in Taiwan's interests. "Better IPR protection will encourage local entrepreneurs to invest more in research and development, thus accelerating our industrial upgrading," he explained. "Even without U.S. pressures, we must consistently clamp down on counterfeiting."

Taipei will send a high-level delegation to attend the new round of Sino-U.S. trade consultations scheduled for late May, Hsiao said.

"I hope the forthcoming meeting will reach agreements acceptable to both sides so that Washington will end its trade retaliation threat to Taiwan," Hsiao added.

Foreign Minister Chien Fu told a weekend news conference that it's unfair for the Bush Administration to identify Taiwan as a "Priority Foreign Country" for "Special 301" investigation.

"Washington should not have ignored our efforts to improve the trade imbalance between the two countries in past years," Chien complained.

Nevertheless, Chien said, the U.S. move may inspire local entrepreneurs to invest more in research and development and thus help speed up Taiwan's transformation into an advanced country.

Editorial Views 'Rampage' in Los Angeles

OW0205144792 Taipei CNA in English
1340 GMT 2 May 92

[CNA "EXPRESS NEWS" Editorial: "Rage Vs. Reason"]

[Text] Taipei, May 2 (CNA)—Los Angeles, the City of Angels, went up in flames this week. The scene was reminiscent of David Selznick's film "Gone With the Wind," in which the burning of Atlanta was indeed poignant.

But there was a twist. Atlanta was destroyed when Gen. Sherman's army marched south to liberate the black slaves in America's Civil War; Los Angeles was under siege by the offspring of those liberated by their white masters more than a century ago.

Irony? [Words indistinct] but the world is full of ironies, to be sure. There are people in every country, including Taiwan, where people crying for justice and the rule of law take the law in their own hands.

To be fair, the blacks in America do have reason to be angry. Any fair-minded person or one who has a bit of common sense could hardly buy the argument that four Los Angeles policemen did not use excessive force against a black man named Rodney King. The not-guilty verdict handed down by a jury touched off the worst violence in Los Angeles since the 1965 riots in Watts, a black community in southcentral Los Angeles.

In the first two days of the rampage, at least 30 people were killed. Looting, beating, and arson terrorized America's second largest city where angels were gone and angers set in. Rage has replaced reason.

Like a prairie fire, the violence has spread coast to coast across America. We see ugly scenes of hatred, bloodshed, destruction on television and in newspaper. We see a *deja vu*—images of similar tragedies triggered by trivial accidents.

Miscarriage of justice is not the core of the problem; it is the fuse to the tinderbox. As the Chinese saying goes, "It takes more than one day to freeze the water three meters deep." It is the long racial tensions that have strained the black-white relations to the point of explosion. It is a social problem, an economic problem, a cultural problem. In short, it is a racial problem.

By venting their pent-up frustrations on innocent people, the blacks would not solve their problems. If the judicial system fails them, they should try to change it through democratic process and by peaceful means. The Rodney King case can be appealed. By taking the law in their own hands, by beating, looting, and killing innocent people, the blacks would not win sympathy to their cause, even if they have legitimate grievances. Hatred begets hatred.

The American society is imperfect. But, man, a perfect society is hard to come by. Use reason, not rage, to make it perfect.

Economic Official Views Trade Deficit With Japan

OW0405092992 Taipei CNA in English
0816 GMT 4 May 92

[Text] Taipei, May 4 (CNA)—Taipei's chronic trade imbalance with Tokyo may worsen this year as Japan's current economic slowdown prompts its entrepreneurs to step up export promotion while cutting imports, an

official with the Council for Economic Planning and Development said over the weekend.

Taiwan exports to Japan are not expected to increase significantly this year because Japan's domestic demand has remained sluggish in recent months as a result of its current economic slowdown, the official explained.

Taiwan suffered a record trade deficit of U.S.\$9.7 billion with Japan in 1991. The trade imbalance reached U.S.\$2.5 billion in the first quarter of this year, an increase of 21.9 percent over the same period of last year.

If the trend continues, the official said, Taiwan's trade deficit with Japan is likely to break the critical U.S.\$10 billion mark by year's end.

In March, Taiwan imports from Japan grew at an annual rate of 13 percent while its sales to that country rose a modest 6.7 percent, the official reported.

Minister Views 'Economic' Mission to ROK

OW0405090392 Taipei CNA in English
0809 GMT 4 May 92

[Text] Taipei, May 4 (CNA)—Foreign Minister Chien Fu said Saturday that the special presidential mission which will visit Korea May 6 is of an "economic" nature.

At the top of the agenda of the mission, led by Secretary General Tsiang Yien-si of the Presidential Office, will be discussions with Korean leaders on ways and means to reduce trade deficits with Japan, Chien said.

Tsiang and his party, including Vice Economics Minister P.K. Chiang and Vice Foreign Minister John Chang, will be reciprocating two visits by Kim Chong-in and Min Kwan-sik, special envoys of Korean President No Tae-u.

Taiwan's trade deficit with Japan reached U.S.\$9.7 billion last year and is likely to break the U.S.\$10 billion mark this year, Chien reported.

Korea's deficit with its eastern neighbor approached U.S.\$8 billion in 1991, he added.

Since the ROC [Republic of China] and ROK economies can supplement each other, both should study ways to cut their deficits with Japan, the foreign minister said.

South Africa Seeks Access to Development Projects

OW0205152592 Taipei CNA in English
1446 GMT 02 May 92

[Text] Taipei, May 2 (CNA)—South African Trade and Industry Minister Derek Keys said here Saturday his country hopes to gain access to business under the Republic of China's [word indistinct] national development plan.

Keys, who has visited Peking [Beijing] before arriving in Taipei Friday for a two-day visit, told a press conference that his trip to Mainland China was solely aimed at exploring trade opportunities there and involved no political purposes.

He stressed that many South African companies are keenly interested in the Republic of China's six-year plan, a [word indistinct] calls for an outlay of US\$300 billion on more than 780 infrastructure projects.

The South African companies wish to participate in some of the projects, especially those in the fields of electricity generation, road construction and transportation engineering, keys said.

Earlier in the day, the South African minister met with Economic Affairs Minister Hsiao Wan-chang and Shirley Kuo, chairwoman of the cabinet-level Council for Economic Planning and Development, to exchange opinions on bilateral trade relations.

Keys, who has also visited Japan during the 10-day Asian tour, left Taipei for home Saturday evening.

MAC Head Reiterates Terms for 'Three Links'

OW0405084292 Taipei CNA in English 0802 GMT
4 May 92

[Text] Taipei, May 4 (CNA)—A ranking official reiterated Sunday that Taipei will never allow "three links" with Mainland China until Peking responds to Taipei's calls for peace in good faith.

Huang Kun-hui, chairman of the Mainland Affairs Council (MAC), was denying foreign wire reports on Saturday that postal, commercial and transportation links between Taiwan and the Mainland are "very likely within this year."

The reports, quoting Peking's English-language CHINA DAILY, are "one of many similar reports," Huang said.

Taipei has repeatedly called on Peking to recognize both sides of the Taiwan Straits as "equal political entities," to give up attempts to invade Taiwan, and to refrain from blocking Taipei's efforts to expand its foreign relations.

Huang accused Peking of being the "main obstacle" to the establishment of the three links across the straits.

Editorial Views Restrictions on Exiled Dissidents

OW0105142292 Taipei CNA in English 1357 GMT
1 May 92

[CNA "EXPRESS NEWS" Editorial: "Allowing in Dissidents"]

[Text] Taipei, May 1 (CNA)—Taipei made a significant move in political liberalization early this week when President Li Teng-hui called a meeting of senior officials of the government and the ruling Kuomintang to decide to ease restrictions on entry of dissidents in exile.

After the meeting, it was reported, the Ministry of the Interior and the National Security Bureau were instructed to review the so-called blacklist and come up with a set of rules that will permit most of the 200 or so dissidents abroad to return home.

We hope that the new rules may be announced on May 20, the second anniversary of the inauguration of President Li.

Since President Li succeeded Chiang Ching-kuo in 1988, the political reform, started by the latter in the mid-1980's, has been accelerated. And the decision to loosen entry restrictions on dissidents, most of whom are proponents of a Taiwan independent of China, reflects not only Mr. Li's determination to fully open up the political process but also the confidence he has in the island's political development.

In a speech he gave last month at the National Assembly, the president pointed out that there is no market here for promoters of Taiwan independence as evidenced by the results of last year's National Assembly elections in which the opposition Democratic Progressive Party, which campaigned on a pro-independence platform, was soundly defeated by the Kuomintang. The ruling party won more than 75 percent of the seats.

What Mr. Li said is true. While seeking full democracy, the people here want stability in order to develop the economy. A formal declaration of Taiwan independence will inevitably heighten tensions in the Taiwan Straits and cause instability on the island. That is not what most people here want.

We strongly support the relaxation of restrictions on the return of dissidents. They should be allowed to come back and see the tremendous changes that have taken place in their homeland. That does not mean a small group of radicals, who will not hesitate to use violent means to overthrow the government here, should also be allowed in.

Most of those dissidents barred from returning to Taiwan are hostile to the government out of misunderstanding. A trip home will help them get rid of that misunderstanding.

Ministry Says Nation To Become Leading Investor

OW0405091492 Taipei CNA in English
0812 GMT 4 May 92

[Text] Taipei, May 4 (CNA)—The Republic of China is very likely to emerge as the world's third biggest investor

country in a few years, the Ministry of Economic Affairs (MOEA) said over the weekend.

According to ministry statistics of the international balance of payments, Taiwan's net capital outflow from 1986 to 1990 reached U.S.\$23.66 billion, making the island the world's No. 6 investor country, trailing behind Japan, the United States, Switzerland, Sweden, and Britain.

The amount was close to No. 5 Britain's U.S.\$23.7 billion, No. 4 Sweden's U.S.\$32 billion, and No. 3 Switzerland's U.S.\$34 billion, MOEA officials pointed out.

With economic growth in the three countries slowing and Taiwan investments abroad climbing to new peaks, the officials forecast, the country's capital exports will very possibly surpass those of the three European countries within a few years.

The officials, however, also called for an evaluation of the impact the big overseas investments will have on the overall economic development of the country.

President Li Lauds Workers at Labor Day Fete

OW0205085292 Taipei CNA in English
0747 GMT 2 May 92

[Text] Taipei, May 2 (CNA)—President Li Teng-hui Friday received 196 model workers, who vowed to support the government's six-year national development plan.

The model workers had a busy day attending receptions given in their honor while other members of the work force had a day off celebrating Labor Day.

President Li, expressing appreciation for the workers' hard work and contributions, pledged that the government will not neglect labor welfare while pursuing economic growth.

He said the successful implementation of major construction projects will depend on the quality and dedication of the labor force.

Meng Ling-ling, a China Airlines employee who spoke on behalf of the model workers, said it was their highest honor to be received by the president.

The nation's six million workers will definitely support the government's development projects, she added.

Premier Hao Po-tsun told a celebration rally that 80 percent of the success of the national development plan will be decided by workers' efforts.

But local workers are increasingly unwilling to do heavy manual work, forcing the government to bring in foreign workers to relieve the labor shortage, Hao pointed out.

He urged local laborers to learn from Japan, which does not need to import foreign workers, although its per capita income is much higher than Taiwan's.

Sung Chu-yu, secretary general of the Kuomintang, hosted a breakfast meeting in honor of the 196 model workers.

The model workers later attended a dinner party hosted by Chao Shou-po, chairman of the Council of Labor Affairs.

Government To Inspect Computer Exports

*OW0205085192 Taipei CNA in English
0755 GMT 2 May 92*

[Text] Taipei, May 2 (CNA)—In an effort to prevent the export of fake goods, the Bureau of Commodity Inspection and quarantine will place microcomputers, hard disc drives, and word processors on the list of "export items subject to screening," director General Y. C. Huang reported Friday.

The decision to inspect the three types of computer products is in step with the government's efforts to guard against exports of counterfeit products, the director general said.

The institute for the information industry will be entrusted to draft the screening rules and enforce the inspection work, Huang pointed out.

Hong Kong

Omelco Debates Sending Letter to U.S. on MFN

Councillors 'Divided'

HK0205035292 Hong Kong SOUTH CHINA
MORNING POST in English 2 May 92 p 4

[Text] Legislative and Executive Councillors were divided over a letter Omelco [Office of the Members of the Executive and Legislative Councils] in-house convenor Mrs Elsie Tu wanted to send to the United States Congress asking for unconditional renewal of Most Favoured Nation (MFN) status to China.

While a majority of Omelco members at yesterday's meeting voted to request unconditional renewal, two members voted against and another 10 abstained.

Dr Huang Chen-ya said asking for unconditional MFN renewal was "foolhardy" after Senators Mitch McConnell, Claiborne Pell and David Boren had indicated during a visit to the territory last month that conditions were likely to be applied.

Ms Emily Lau Wai-hing said she also voted against the motion because MFN status was an effective means of pressuring China to improve human rights.

Chairman of the Hong Kong Association for People's Livelihood, Mr Frederick Fung Kin-kee, said he believed economic development and the affluence that came with it would be a prerequisite for the development of democracy.

Mr Lee Wing-tat suggested that the letter should be signed only by those who supported it, but Mrs Tu said it would bear the Omelco seal.

Member Chides U.S. on Human Rights

OW0305120792 Beijing Central People's Radio
in Mandarin to Taiwan 2200 GMT 2 May 92

[From the "News and Current Events" program]

[Text] On May 1, the internal affairs meeting of Hong Kong's Legislative Council and Administrative Council adopted a proposal that a letter will be sent to the U.S. Congress in the name of the Legislative Council to demand an unconditional extension of most favored nation status to China. In discussing the proposal, (Tang Yinnian), a member of the Legislative Council, pointed out that it is inappropriate for the United States to use the issue of China's human rights as a condition for extending most favored nation status to China. He said: The United States always has a double standard on human rights. A riot recently broke out in Los Angeles; the U.S. Congress should examine the human rights problem in their own country.

Conservative Group Plans Political Party

HK0405023692 Hong Kong SOUTH CHINA
MORNING POST in English 4 May 92 p 3

[By Jeremy Lau]

[Text] The new Governor, Mr Chris Patten, should review the composition of the Executive Council [Exco] if the Co-operative Resources Centre (CRC) develops into a fully-fledged political party, the United Democrats of Hong Kong (UDHK) said yesterday.

Vice-chairman of the liberal party Mr Yeung Sum said the United Democrats welcomed comments by CRC member Mr Steven Poon Kwok-lim over the weekend that the conservative group would soon develop into a political party capable of governing Hong Kong.

Mr Yeung said Hong Kong needed more people to take part in politics and serve the public during the latter half of the transition period before China resumed sovereignty of the territory in 1997.

But he stressed that fair competition would be of the utmost importance in political development. Mr Patten should review the composition of Exco if the CRC really became a political party.

"The CRC...has four members sitting in Exco. The CRC will be drawing up government policies and this will be unfair to other political parties," he said.

The Governor, Lord Wilson, hinted after meeting Mr Patten in London last week, that his successor might be considering a revamp of Exco to include members of the United Democrats.

It has been suggested that Mr Patten's own political background could make him keener than past governors to see a faster pace of democracy in Hong Kong and that could include places on Exco for United Democrats—despite their perceived unacceptability to Beijing.

At present CRC members Mrs Rita Fan Hsu Laitai, Mrs Selina Chow Liang Shuk-ye, Mr Allen Lee Peng-fei and Mr Edward Ho Sing-tin sit on Exco.

But Mrs Fan and Mrs Chow said it was too early to say if there would be any conflict by having four CRC members sitting on Exco.

Both said the CRC had not discussed any transformation to a "political entity" and nobody knew whether there would be a CRC party, or a party to be formed by individual CRC members.

Mrs Fan believed the UDHK had been asked to join Exco by Lord Wilson but had refused because they could not agree to abide by its rules of confidentiality and collective responsibility.

CRC members accepted the rules and paid the price of supporting all government decisions and it was irrelevant and unfair for Mr Yeung to say the system was unfair only to the United Democrats, Mrs Fan said.

Referring to Mr Poon's comments on Saturday [2 May], Mrs Chow said she did not know whether Mr Poon had been talking in a personal capacity.

She would like to know under what circumstances Mr Poon made such comments, she said, and she believed other CRC members would also like to know.

Mrs Chow said she did not think Mr Poon's comments would embarrass the group because individual CRC members had often made known their personal opinions on the group's political development.

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